

I left my heart in Los Angeles

by NIGEL ANDREWS

There are two vital prerequisites for any visit to San Francisco. One is a strong pair of legs, for negotiating the most exhaustively up-and-down city in the Western world. The other is a tough pair of ears, for enduring the almost constant wall of police, fire and ambulance sirens.

San Francisco is New York City writ small; and it is primed with the assurance of my fellow Londoners that I would hate Los Angeles and love San Francisco, the outcome proved to be the precise opposite.

The film festival seems no less of an uneasy hybrid than the city: part symposium for film-lovers, part social bonanza for anyone who can afford it (or who is fortunate enough to wield a Press card).

Love Story on wheels, recounting the doomed romance between racing driver Al Pacino and rich girl Marthe Keller. He neglects his career for her, and she eventually transpires to be dying from one of those nameless movie diseases that afflict and finally extinguish love-lorn heroines. All this is played out against a series of lush travel-brochure backdrops, and directed by Pollock as if every camera was a pure gold.

Herbe is another of those French essays in adolescent love: two doe-eyed teenagers falling for each other while their parents fret and fume about exam results. Touching and funny, it is finally somewhat slight.

But there is a less Utopian side as well. The centre of town is crisscrossed by a maze of narrow streets, and the city's much-vaunted social and sexual tolerance, a heritage of the Haight-Ashbury era, has already gathered to itself a whiff of the vicious and exploitative.

Pollock's film will see in London shortly. It is a kind of a suicide. But Swedish angst is leavened with a nicely mischievous humour, and although it is not quite sure what the film's intended destination is, it is telling us something about the soul of Sweden today.

A brief commendation for the whole festival—was the sample and Brooks allowed us to see of his new comedy. In London I always seem to find myself apologising for liking Brooks' films. They are perhaps too broad in their comic style, too blunderbuss-like in their satiric aim for British taste.

Simply on the strength of the 20 minutes or so Brooks showed us of the film, I should judge *High Anxiety* to be his best work to date.

Brodeur's documentary tells the story of the massive expedition mounted to induce Miura's record-seeking whim, and does a fine job of dovetailing the film record of the event with additional footage from Miura's previous exploits.

Duke of York's Laburnum Grove by B. A. YOUNG

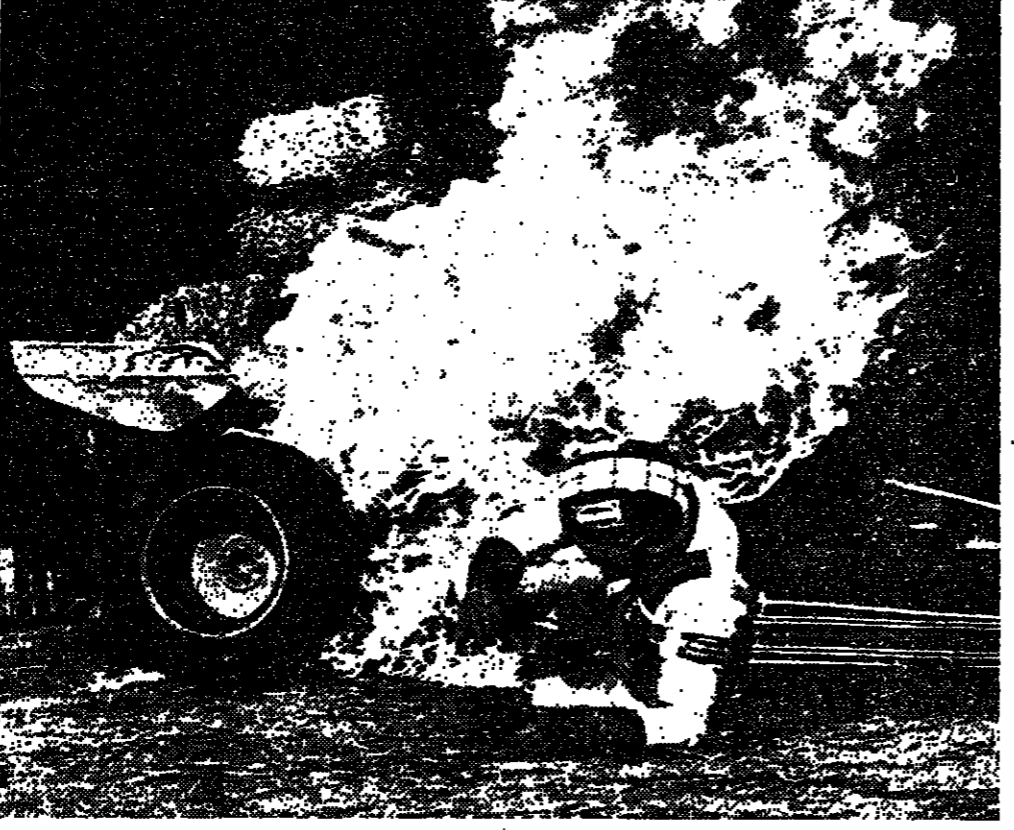


Honor Shepherd, Arthur Lowe and Deborah Watling

J.B. Priestley's veteran comedy is a sturdy old repertory piece and deservedly so. Its slight story is beautifully planned. In the first act George Radfern, the archetypal suburban burgeois, announces to the family parasites that he is not just someone in the paper trade, he is head of an international gang of forgers.

Playhouse, Oxford Ophelia by B. A. YOUNG

The characters in C. P. Taylor's *Ophelia* have little in common with the characters in Shakespeare's *Hamlet*; but their names, Mr. Taylor's *Ophelia* is as mad as Shakespeare's, however; all his action takes place in her mind through a series of flashbacks, while she sits staring into vacancy.



A scene from 'Bobby Deerfield'

Sir Jack Lyons Theatre Tobermory by RONALD CRICHTON

The new theatre for the Opera Class of the Royal Academy of Music was opened on Wednesday by the RAM's President, Princess Alice, Duchess of Gloucester. The four year wait since the cramped little stage and auditions formerly on the site of Marylebone Road were bulldozed down, though it may have seemed endless to those most concerned, has now been rewarded.

Bedford's direction, none of that coming unstuck in simple passages that mars many professional operetta performances. But why did the programme describe Gilbert's *Cousin for the Plaintiff* as "for the Defendant"?

Guildhall, Barbican Open Rehearsal

The Guildhall School of Music and Drama has moved from its old home John Carpenter Street on the Embankment to a brand new site in the Barbican maze—a fine example in its own right of Mark II U-boat-pen architecture, confident reminiscence of the finer points of Southbank style.

St. John's, Smith Square Memorial concert by DOMINIC GILL

On Wednesday evening at St. John's, the London Sinfonietta were engaged by the Library Association to perform a new work for national Association of Music Libraries (U.K.) to play a con-soprano and seven instruments

It was a nicely varied programme, framed by Ravel's *Reynolds*; agreeable but unoriginal *Introduction and Allegro* and remarkable settings, which the Schubert Octet, touching by neither attempted to mirror nor



If the extractor fans in Ladbroke's betting shops ever stopped working, conditions would soon become unpleasant for punters and staff alike. That's why you'll find Xpelair fans installed. Because Xpelair fans have tough, reliable motors that go on working and working.



EUROPEAN NEWS

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Form with fields for Name, Address, Telephone, and Sales Office information.

Russia to introduce high speed train

By David Satter. MOSCOW, Oct. 27. THE SOVIET Union is completing test runs of the 125 mph ER-200 "super express" train, which is scheduled to make its first trip with passengers between Moscow and Leningrad shortly.

W. German chemicals stagnating

By Guy Hawtin. FRANKFURT, Oct. 27. THE WEST German chemical industry's sales are virtually stagnating. Turnover in the first nine months of the year grew by only 1 per cent.

France details S. Africa arms deals

BY ROBERT MAUTHNER

M. VON BOURGES, the French Defence Minister, said today that France had not signed any arms contracts with South Africa for more than a year.

France would be the last to be honoured. M. Bourges admitted, however, that South Africa was producing some French military equipment under licence.

ensuring that this ceiling is not exceeded. In the case of land equipment on the other hand, South Africa is entitled to produce an unlimited quantity.

Meanwhile, the Defence Commission has rejected the Government's military equipment budget for 1978 because it considers the naval credits to be "catastrophically low."

FRENCH FOOD EXPORTS

A smaller slice of the pie

BY DAVID CURRY

FRANCE, the world's largest exporter of food apart from the U.S., is getting worried about how long it can maintain this position. As the television advertisements keep hammering home: "France has no oil—no economy."

Both Government protests in Brussels and Rome, and the sporadic guerrilla warfare waged by southern French peasants against container-loads of Italian wine have equally failed to plug a deficit of some Frs.300m.

The big men apart—and there are also four co-operatives in the top 10 per cent food concerns—the small, often family-run business in the rural areas are nearly 4,000 companies employing 10 or more people.

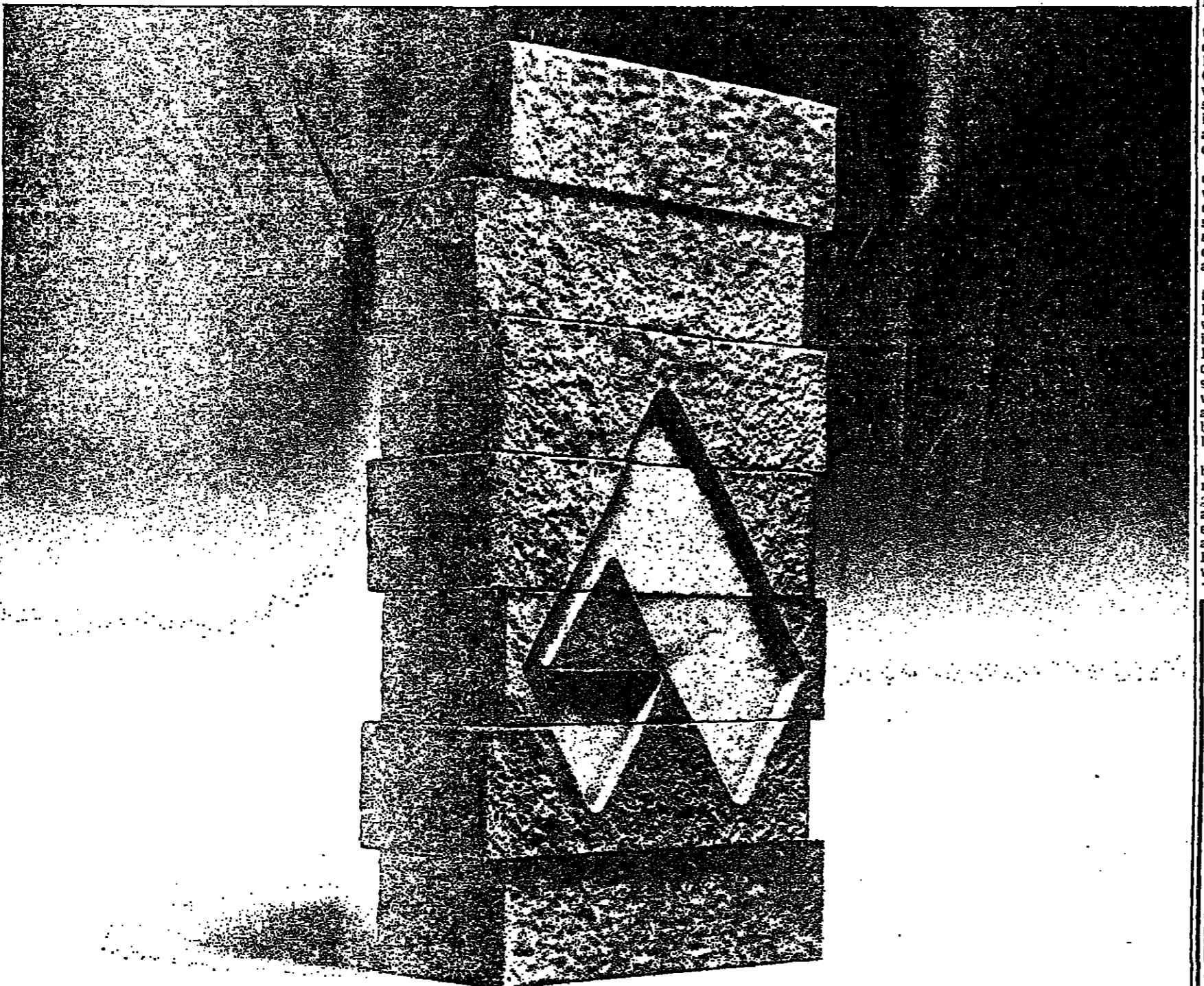
While foreign food companies have disengaged from France to some extent, the small-scale industry has permitted what the Ministry calls the "colonisation" of the sector, notably in the high added value sector.

The main problem is that a good half of French food exports—worth Frs.45bn. (£5.3bn.) last year—are sold in bulk with no or very little processing, and the biggest part goes to the EEC countries.

There are products like coffee, cocoa, cotton, tropical fruit, vegetables and oils which cannot be produced locally.

Some of the smaller manufacturers argue that the big distributors are disproportionately powerful compared with manufacturers.

At the level of the Ministry there is a lobby which would like to see a French Unilever or Nestlé put together to carry the flag, but in the absence of voters to offer piggy-backs to half the industry this has not got very far.



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The Abecor Banks: Algenine Bank Nederland, Banca Nazionale del Lavoro, Banque Bruxelles Lambert, Banque Nationale de Paris, Barclays Bank, Bayerische Hypotheken- und Wechsel Bank, Dresdner Bank, Associated Members: Banque Internationale à Luxembourg, Österreichische Länderbank, Special Associated Member: Banque de la Société Financière Européenne.

Barclays is the Abecor Bank in Britain



General Mining Group

COAL MINING COMPANIES' REPORTS FOR THE QUARTER ENDED 30th SEPTEMBER, 1977

(Both Companies are incorporated in the Republic of South Africa) (All figures are subject to audit)

Table for TRANS-NATAL COAL CORPORATION LIMITED showing financial data for the quarter ended 30.9.77 and 30.9.76.

THE CLYDESDALE (TRANSVAAL) COLLIERIES LIMITED

Table for THE CLYDESDALE (TRANSVAAL) COLLIERIES LIMITED showing financial data for the quarter ended 30.9.77 and 30.9.76.

On behalf of the Board: D. GORDON, G. CLARK, W. J. de VILLIERS, Directors. Secretaries: General Mining and Finance Corporation Limited, 6 Holland Street, Johannesburg 2001, 27th October, 1977.

London Office: Princes House, 95 Gresham Street, London, EC2V 7EN.

EUROPEAN NEWS

EEC INTEGRATION

Schmidt sees no closer links

BY OUR OWN CORRESPONDENT
THE WEST German Chancellor, despite the economic problems...

BONN, Oct. 27.
recently reaffirmed that West Germany's ultimate objective remains European union.

Jenkins urges new look at European monetary union

BY ROBIN REEVES
A POWERFULLY argued prospect of EEC enlargement will face us with the clear choice...

BRUSSELS, Oct. 27.
industry and commerce than is possible under customs union alone...

Hijacker identified as London assassin

By Our Foreign Staff
THE LEADER of the terrorists responsible for the recent Luftansa jet hijack was also responsible for the assassination of former North Yemeni Premier Abdullah al-Hajri in London seven months ago...



A raised clenched fist and a consoling arm for the mother of Andreas Baader, the West German terrorist buried in Stuttgart yesterday with two of his comrades. On Mrs. Baader's left is Roy, Helmut Ensslin, father of Gudrun Ensslin. Andreas Baader's girlfriend and one of the three terrorists found dead in their jail cells last week.

Baader terrorists buried in common grave

BY JONATHAN CARR
THE THREE West German terrorists who died last week in Stuttgart-Stammheim Jail were buried today in a common grave in the city's Dornhalde cemetery.

Stammheim. There were no violent incidents at the ceremony. The coffins of the Baader-Meinhof group were lowered into the graves the Stuttgart is the capital, but it is not...

Mr. Jenkins, who was giving the Jean Monnet lecture in Florence, brushed aside the belief—shared by some of his fellow Brussels Commissioners—that the time is not propitious for adventurous ideas. The past four years had shown the limitations in Europe of even good national economic policies. While he recognised that no proposition as radical as monetary union in Europe would be achieved "at a stroke," he believed that the run-up to direct elections must be used to relaunch a major public debate on what monetary union had to offer, and what must necessarily accompany it, if it was to appeal to the richer and poorer parts of the EEC.

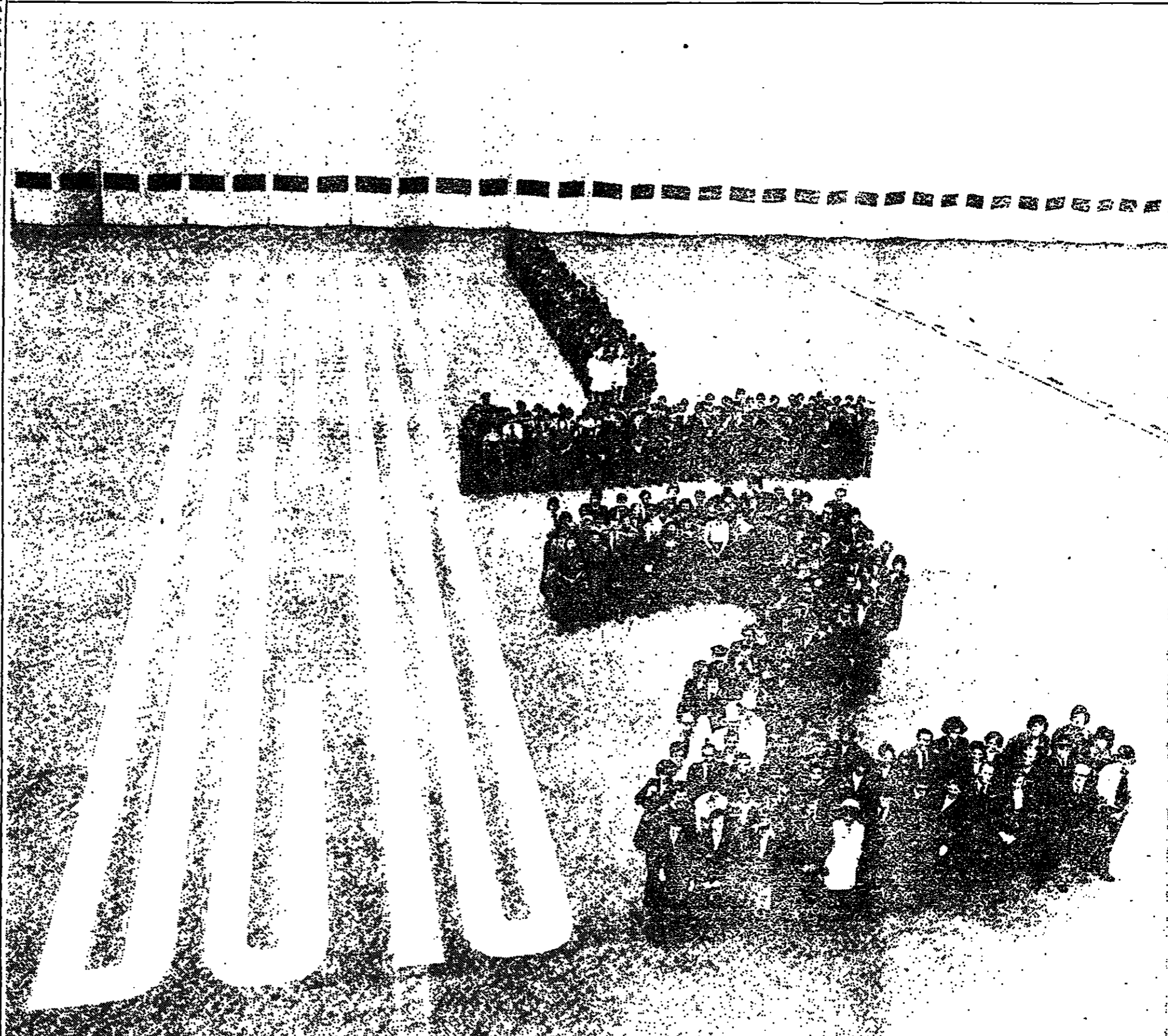
Mr. Jenkins accepted that monetary union implied a major new Central European authority to manage the exchange rate, external reserves and the main lines of internal monetary policy and a corresponding loss of national monetary decision-making. But while monetary policy would only be decentralised to a limited degree, the vast growth in public expenditure since the war, now approaching half the GNP, had emphasised the need for multi-level government with various levels—local, regional, state, national and so on. This was a natural and healthy development which avoided monolithic concentration of political and economic power. allowed for more efficient specialisation by level of government and associated people more closely with the decision-making process.

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Government aid is the last thing you need in an area like Swindon. Our location, communications and work-force availability are second to none. Talk to our experienced development team about office and factory space and development sites. We offer full assistance from green fields to full operation. Send for our brochure and get the facts about Swindon the town planned for growth.



COMPANY NOTICE
WOODSIDE PETROLEUM LIMITED
NOTICE OF CALL
NOTICE IS HEREBY GIVEN that the First Call of 30 cents (being 10 cents capital and 10 cents premium) on all the Partly Paid 1977 Issue Shares in the capital of the Company has been made due and payable at the share office of the Company, 11th Floor, 151 Flinders Street, Melbourne on Monday, 14th November, 1977.



The people at British Caledonian make a little more of their DC-10s to South America.

If we were the only national airline flying the world's most comfortable plane to South America, life would be easy. But we're not. So we have to make our DC10s into something more enticing than theirs. Namely DC10½s. Because, unlike most of those others, we're an independent business. To stay in business, we have to do everything just a little better than they do. Fly with us to Caracas, Lima, Rio, Recife, Buenos Aires, Santiago or São Paulo just once and you'll see what we mean. Our DC10½ service is now operating. Your Travel Agency or British Caledonian Office has the details. We promise, you won't half notice a difference. British Caledonian We never forget you have a choice.

AMERICAN NEWS

CAB routes plan sent to President

NEW YORK, Oct. 27. THE CIVIL Aeronautics Board (CAB) today sent proposals to President Carter for expanding transatlantic air services...

The President has the power to amend or reject the proposals which will, however, become effective once they receive his signature...

The CAB plan renews Trans World Airlines' existing temporary landing rights in Europe and adds Cleveland, Pittsburgh, St. Louis, Denver, Kansas City and Minneapolis, St. Paul to its service schedules...

North West Airlines would be given a new route from Seattle, Portland, Los Angeles, Minneapolis-St. Paul, Chicago, Detroit, Washington, Baltimore, New York, Newark and Boston to Scotland, Denmark, Norway, Sweden, Finland and Iceland...

Bot Pan Am and TWA are designated non-stop carriers to London from New York and temporarily Boston.

Carter again delays tax package

WASHINGTON, Oct. 27

Dr. Burns' speech yesterday. The chairman, the President said, was "able, outspoken and independent..."

But Mr. Carter's view was that his Administration had tackled so many problems—he cited energy, social security, tax and welfare reform—because they were of such a magnitude that we couldn't ignore them...

Surge in exports cuts U.S. trade deficit

WASHINGTON, Oct. 27.

Imports resumed an upward growth that had been interrupted in July and August, rising to \$12.63bn, 3.3 per cent more than in August and the highest level for any month of the year except June...

Oil imports once again increased appreciably by \$375m, to \$3.7bn, in September, suggesting that the annual oil import bill will be very close to \$45bn. Although imports of coffee declined by 17 per cent, there was a 22 per cent rise in shipments of foreign iron and steel...

Administration has taken on too much and that business cannot operate when so many critical policies are simultaneously up in the air...

Mr. Carter also said that he was not considering a separate tax cut for businesses and individuals as an economic stimulus to be presented before the reform package...

Unsuccessful Vance bid to allay Israeli lobby's fears

WASHINGTON, Oct. 27.

AN ATTEMPT by Mr. Cyrus Vance, the Secretary of State, to ease the fears of the American Israeli lobby over current U.S. Middle East policy apparently backfired last night...

The Jewish leaders reportedly also told Mr. Vance that U.S. policy had had the effect of undermining Jewish opinion in the U.S. behind Mr. Begin's government...

Mr. Carter denied saying that he was trying to do too much, but he said that he was trying to do too much.

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Move to limit OPEC rise

TEHRAN, Oct. 27.

MR. Michael Blumenthal, the U.S. Treasury Secretary, today sought the help of the Shah here on limiting any oil price increase that might be agreed at the forthcoming ministerial meeting of the Organisation of Petroleum Exporting Countries (OPEC) in Caracas...

Alaska lease sale opened

ANCHORAGE, Oct. 27.

MR. EDWARD HOFFMAN, an Interior Department official, opened today's Alaska oil and gas lease sale. He said that there were 30 bids submitted, down slightly from the 242 bids submitted in the 1976 Gulf of Alaska sale...

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Mexico oil and gas reserves

MEXICO CITY, Oct. 27.

MEXICO'S 150bn barrels of possible oil and gas reserves "can solve the country's economic problems," Jorge Diaz Serrano, Director General of Petroleos Mexicanos (Pemex) said today...

Search for new IMF head

WASHINGTON, Oct. 27.

THE EXECUTIVE Board of the International Monetary Fund is meeting this morning to thrash out the modalities of choosing a successor to Dr. Johannes Witteveen, who is retiring in May of next year from the managing directorship...



Instead of throwing money away on wasted energy, why don't you carpet the warehouse?

Wouldn't it be cosy and welcoming. A fitted broadloom, everywhere. So soothing to work on, albeit a trifle impractical. And probably quite expensive. But never mind, you're probably laying out an equivalent amount of money already without even realising it...

production and transport queries it's Freefone 6222 in England and Wales, and Freefone 8305 in Scotland. Second, use the coupon to send off for our wide range of energy saving technical booklets. They're free and cover many aspects of industrial energy loss...

To: Department of Energy, Free Publications, P.O. Box 702, London SW20 8SZ. ENERGY SURVEY SCHEME. FUEL EFFICIENCY BOOKLETS (tick the ones you need): 1. Energy audits, 2. The sensible use of latent heat, 3. Unusually of steam for process and heating, 4. Compressed air and energy use, 5. Steam costs and fuel savings, 6. Flue gas and steam condensate, 7. Degree day, 8. The economic 'business' of insulation for hot pipes, 9. How to make the best use of condense air, 10. Continuous and energy savings.

Alaska lease sale opened

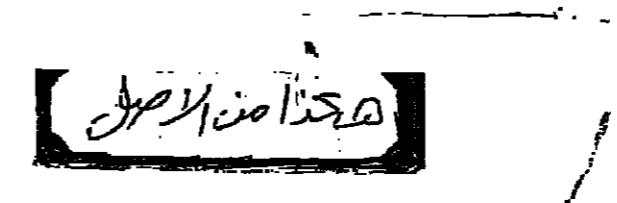
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Mexico oil and gas reserves

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Search for new IMF head

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OVERSEAS NEWS

Western accord near on South Africa arms ban

BY OUR OWN CORRESPONDENT

WESTERN MEMBERS OF the United Nations Security Council... reached substantial agreement on a draft resolution...

UNITED NATIONS, Oct. 27.

Saudi pledge to fight Israel

BY IHSAAN HIJAZI

BEIRUT, Oct. 27. PRINCE SAUD BIN FEISAL, Saudi Arabian Foreign Minister, said yesterday that the Kingdom would sacrifice the blood of its sons...

SOUTH AFRICA AND THE UN

Well armed against its sea of troubles

BY MARTIN DICKSON

HOW WOULD a mandatory United Nations embargo on arms supplies to South Africa affect the country's military capability? The question is now far from academic with the Security Council this week debating such action...

South Africa's acquisition of licences for the local manufacture of armaments has been crucial for its defence effort...

MAJOR IDENTIFIED ARMS AGREEMENTS 1971-77

Table with columns: Primary supplier, Approximate date of agreement, System, Quantity. Lists agreements with France, Israel, Jordan, Britain, France, Italy, Portugal.

Even if a mandatory embargo is imposed, South Africa already has a strong defence capability and it may not face too great difficulties in adding to it or obtaining spares on the huge private suppliers...

Biko inquest adjourned

BY QUENTIN PEEL

JOHANNESBURG, Oct. 27.

THE FIRST formal inquest hearing into the death of Mr. Steve Biko, the South African black consciousness leader who died in police detention six weeks ago...

Nkomo calls for major changes in Rhodesia plan

BY OUR FOREIGN STAFF

MR. JOSHUA NKOMO, the Rhodesian nationalist leader, yesterday called for fundamental changes in the Anglo-American peace plan...

Israel admits to problems on conscription

By David Lennon

TEL AVIV, Oct. 27. ISRAEL has acknowledged for the first time that it is having problems with people evading military conscription...

PM confirms Australia poll date

By Kenneth Randall

CANBERRA, Oct. 27. MR. MALCOLM Fraser, the Australian Prime Minister, today confirmed arrangements for a national general election on December 10...

U.S. companies in new Egypt oil exploration

CAIRO, Oct. 27.

THREE American companies—Conoco, Marathon and Shell U.S.—signed a \$26.5m. final agreement with the Egyptian Government today for oil exploration in the Bahariya (northern) oasis of the Western Desert...

Hua still faces radical threat

BY YVONNE PRESTON

PEKING, Oct. 27.

MORE THAN a year after the purge of the Gang of Four, Mao Tse Tung's successors have been forced to confess their failure to eliminate the influence of the extreme Maoists and their radical dogma from China's political life...



"And on your chosen subject, Office Communications, you passed on five questions..."

Advertisement for Infotec office equipment. Text: "The world's fastest-selling plain paper copier is... the Infotec 1101. The world's fastest facsimile transceiver is... the Infotec 6000. It can send an A4 document from London to New York in just 35 secs. The Infotec 7000 is the UK's best-selling word processor."

WORLD TRADE NEWS

S. Korea buys ITT telephone equipment

By Our Own Correspondent BRUSSELS, Oct. 27. INTERNATIONAL TELEPHONE and Telegraph Corporation said today that it is to supply its electronic Metaconta 10C equipment to the Republic of Korea under a telephone switching expansion programme valued at \$500m.

Lower costs at ICI hit West German chemicals

By LESLIE COLLIT

WEST GERMAN chemical manufacturers are facing growing competitive pressure from Britain's ICI as a result of wages and fringe benefits for British workers which are said to be less than half those paid to chemical workers in West Germany.

This is the view of top German chemical industry executives who are gathered in West Berlin for the 100th anniversary of the German Chemical Industry Federation.

Dr. Hans Tietmeyer, head of the Economic Ministry's policy department, spoke of the dangers arising from the massive U.S. oil deficit, which has led to the weakness of the dollar.

Strike hits production for £100m. Soviet order

By Rhys David

THE FIRST of 42 gas turbine pumps produced by the biggest-ever contract won by the U.K. from Russia, is due to be shipped from Britain within the next month.

Decision soon on Metro order

By JOSEPH MANN

THE PRESIDENT of the Venezuelan State company overseeing construction of the Caracas Metro said that the foreign firm made up of GEC and Metro groups holding a "greater option" to build the Caracas rapid transit system included those from France, West Germany, Japan and the United States.

Technical evaluation of seven international bids on supplying 240 rapid transit cars, tonnes of steel rail and other equipment has been completed and a Government panel is now evaluating the financial offers made by each participant.

Whoever is chosen for this job will clearly have an advantage in bidding for other rolling stock and equipment contracts which will be let as the rapid transit system is expanded during the next decade.

Call for EEC rule on tanker ballast tanks

By WILLIAM DULLFORCE

MR. SVEN SALEN, the new chairman of the Swedish Shipowners' Association, today urged the EEC Commission to make segregated ballast tanks obligatory on all oil tankers trading within EEC waters.

There would be no mixing of oil and water and the oil spillage in harbours and close to coasts would be reduced.

Swedish shipowners were ready to accept the regulation and the Swedish Government would certainly follow a lead set by the three major oil-importing areas.

informed its employees that it may have to sell six tankers and some other vessels and reduce staff by 730.

Hong Kong use of quotas at low level

By Philip Bowring

HONG KONG, Oct. 27. THE CONCERN that the EEC is currently expressing over imports from Hong Kong, and other leading Asian suppliers, is scarcely borne out by the latest quota utilisation rates issued today by the Hong Kong Department of Trade, Industry and Customs.

Warning on shipbuilding decline

BRUSSELS, Oct. 27.

EEC shipbuilding is expected to fall to 2.4m. tonnes in 1980 from the present annual level of 4.4m. and the work force could be reduced by the same proportion, the EEC Commission says.

He said the Commission has prepared an action programme for adapting the shipbuilding industry to meet the future. Capacities should be cut, but whenever possible workers who are laid-off should get jobs locally outside the industry.

In particular any expansion of production capacities will be authorised by the Commission only in exceptional circumstances if the proposals were adopted by the EEC Council of Ministers.

They would have to adjust by operating smaller fleets, establishing joint ventures with developing countries, starting more multinational ventures and concentrating on specialised vessels, where experience counted.

U.S. deal on Algerian gas moves closer

By Stewart Fleming

NEW YORK, Oct. 27. A UNITED STATES Federal Administrative Law Judge has cleared a \$4.5bn. plan under which El Paso Company will import some 886m. cubic feet of natural gas a day from Algeria.

Change more than your hat before you go to the U.S.A.

You're going to need money when you're there. US dollars. Surely it's more sensible to buy them here and take them with you. With Thomas Cook you can. Just think what local currency travellers cheques can mean to you in the States. US dollar travellers cheques are normally used as cash, rather than exchanged at banks - and you will find Thomas Cook US Dollar Travellers Cheques readily accepted for all your transactions - at hotels, restaurants, bars, shops, etc. Simply peace of mind, problem-free spending and that warm feeling of security that comes from knowing that your cash is insured.



Not only US dollars. The Thomas Cook system includes Travellers Cheques in Sterling, Canadian dollars, Hong Kong dollars, Australian dollars, Japanese yen and Swiss francs. Ask for them at your local bank, Trustee Savings Bank, Crown Post Office, travel agent - or Thomas Cook office. Common sense, security and simplicity. That's Thomas Cook Travellers Cheques. A change for the better.

Polar flight marks PanAm's 50th birthday

By Michael Donne, Aerospace Correspondent Today, to mark its 50th birthday, Pan American World Airways will make another of its now-famous "flight spectacles", taking a Boeing 747 Special Performance Jet on a record-setting round-the-world flight from San Francisco over both the North and South Poles.

U.S. deal on Algerian gas moves closer

NEW YORK, Oct. 27. A UNITED STATES Federal Administrative Law Judge has cleared a \$4.5bn. plan under which El Paso Company will import some 886m. cubic feet of natural gas a day from Algeria.

BOND DRAWING

INDUSTRIAL DEVELOPMENT BANK OF ISRAEL LTD. 7% Guaranteed Loan 1982

S. G. WARBURG & CO. LTD., announce that Bonds for the amount of U.S.\$1,350,000 have been drawn in the presence of a Notary Public for the sixth redemption instalment due 28th November, 1977.

Table with columns for bond numbers and amounts, listing various bond identifiers and their corresponding values.

On 28th November, 1977 there will become due and payable upon each Bond drawn for redemption, the principal amount thereof, together with accrued interest to said date at the office of: S. G. WARBURG & CO. LTD., 30, Gresham Street, London, EC2P 2EB.

HOME NEWS

Freight prices to rise 15%

By Elmor Goodman and Ian Hargreaves

PRICE RISES proposed by some companies within the National Freight Corporation have been curtailed following intervention by the Price Commission.

The corporation, which lost £15m last year and £31m in 1976, wanted to put up charges for certain highly uneconomic sections of its parcels business by about 30 per cent, but after private conversations with the Price Commission, has agreed not to exceed 15 per cent.

Charges by the Roadline U.K. parcels company have gone up by precisely 15 per cent and the rates of another NFC loss-maker, National Carriers, have been increased by 9 per cent.

Mr Charles Williams, chairman of the Price Commission, made it clear when he took over the job in August that he hoped to persuade companies to modify prices without putting them through the rigours of a full three-month investigation.

The approach has been accepted by the state-owned carriers as the least painful way of slimming down their businesses, which together lost £70m last year.

National Freight has been under particular pressure from the Department of Transport to improve its financial position this year to clear the way for a restructuring of its historic debts which has been promised for the New Year.

With the latest round of increases, Roadline and National Carriers will have put up their prices by 22.5 per cent and 21.5 per cent respectively.

Small company study will check job laws and VAT

By JOHN ELLIOTT, INDUSTRIAL EDITOR

SPECIAL MEASURES to help Britain's structural unemployed small companies cope with employment legislation and VAT are among the next main targets for the study on the plight of small businesses which Mr Harold Lever, Chancellor of the Duchy of Lancaster is conducting for the Prime Minister.

This second phase of Mr Lever's work follows tax and other measures announced in Wednesday's economic package. It illustrates the priority being given to the subject of small companies by senior Ministers who believe that this area can make a bigger contribution than any other sector to solving

One of its first tasks would be to advise the council on its industrial strategy. It would also provide the council with 'sources of expertise' on business and suggest new initiatives for the borough.

Another function would be to advise on the ERM. Southwark Fund for the Development of Industry and Commerce, announced last week. This money had been saved as a result of public expenditure cuts made over the past three years.

Nuclear waste assurance

MR BRUCE MILLAN, Scottish Secretary, has promised that proposals for the disposal of nuclear waste will require specific approval from the Government.

Local authorities and other bodies would be consulted and Government permission given only on the basis that the disposal was safe.

Mr Millan's assurance was contained in a letter to Mr Edward Taylor, Shadow Scottish Secretary and MP for Glasgow Cathcart.

Mr Taylor said yesterday: "My inquiry was specifically about the disposal of nuclear waste in Scotland, but this is an

posing that they should be allowed to opt out of the social and other community responsibilities introduced by employment and other legislation in recent years.

He has told them he wants to find means of mixing these social responsibilities with the special entrepreneurial problems of the small businessman.

This brought strong criticism last night from Mr Bill Poeton, chairman of the Union of Independent Companies who said after a meeting of his union's council: "We don't feel it is right that Mr Lever should duck the social legislation problem which needs solving for small businesses."

"A lot of this legislation was introduced by the Labour Government because of the shortcomings of the big quoted companies and that was entirely justified. But it is not justified in the unquoted sector."

Mr Lever, aided by Mr Bob Cryer, Parliamentary Under Secretary at the Department of Industry, wants to find means of easing the burden, for example of redundancy and unfair dismissal legislation, without upsetting the Labour Party or angering the trade unions by lowering any standards.

Problems of capital transfer tax and death duties are also areas where Mr Lever would like to help to save companies from collapsing when their owners retire or dies.

Mr John Methven, director general of the Confederation of British Industry, said that industry's attempts to forge links with educationists were beginning to yield fruit.

Callaghan calls for industrial schooling

By David Freud and Ivor Owen

SCHOOLS SHOULD take the lead in promoting better understanding of the vital wealth-creating role of manufacturing industry, the Prime Minister said last night.

At a London Careers Convention organised by the National Union of Teachers, Mr Callaghan called for a more determined and imaginative drive from all involved in education to achieve the change in national attitudes required to ensure proper appreciation of industry's role in society.

"It can only be through the wealth that industry creates that we can hope to maintain and improve our standard of living," he said.

Mr Callaghan, in another contribution to the public debate on education which he initiated just over a year ago, underlined the scope for schools to play a bigger part in securing much greater knowledge and understanding of industry.

"It shows how far we have lost our way that in the country where the industrial revolution began the achievements of industry and those who work there are so often disparaged."

"The picture so often presented by the media of industry racked with disputes needs to be balanced. Disputes are settled peacefully, orders are completed on time, customers are satisfied, and valuable export orders won."

Mr John Methven, director general of the Confederation of British Industry, said that industry's attempts to forge links with educationists were beginning to yield fruit.

NEWS ANALYSIS—STEEL MERGER

Close cousins already

By ROY HODSON

A MODERN steel foundry business could dovetail nicely with a special steel and engineering group in the new-look British private sector steel industry being developed out of the deep recession in the international iron and steel industry.

That concept at any rate takes a plausible reason for the Weir Group, steel foundrymen and valve-makers among many other companies which have perhaps not been given their proper attention following news of the steel and engineering group, to talk.

Some two years ago, Weir bought a Sheffield steel foundry jointly owned by Osborn and Hatfield. Weir made a success of that business and it is now trading successfully under the name of Oil Steel Foundries.

The companies took a close interest in each other at that time. There is every reason to suppose that Weir has kept a watching brief on Samuel Osborn since. Weir also has a number of operations in the north of England close to Samuel Osborn.

In comparison with other private sector steelmakers, Osborn is weathering the international steel recession well. Low-priced imports of special steel have not affected the business and the British Independent Steel Producers' Association and the Department of Trade acted together.

For several months past the British manufacturer has enjoyed a relatively protected run on the home market. Meanwhile, Samuel Osborn has advised and assisted in setting up a tool steel plant in South Korea, which is now being commissioned and has secured the rights to sell the products of that plant in Britain as it comes into full production.

Weir's overseas trading, concentrated less than 17 per cent in the groups turnover last year, has been encouraged, which, it could be an important factor in the merger now proposed.

An automated ferrous founder working with alloys such as Weir which already provided lean finance in a venture to build up private sector steelmaking in Britain.

Samuel Osborn is strong over seas with a sales company in West Germany, extensive interests in southern Africa (mainly in high speed tools, engines, distribution, and companies in Australia, Canada, India and Israel).

Among the Sheffield steelmakers — a closely-knit community — a favourable and recent 100m this year has been shared by Samuel Osborn (40 per cent annual turnover), SMTA Tools (15%), which makes and sells high speed cutting tools in South Africa.

Value Weir may also place a value on that business, which is not disclosed in the Samuel Osborn balance sheet.

Unusual Samuel Osborn runs an interesting and somewhat unusual steel operation under the executive chairmanship of Mr. Bernard Cotton, a senior figure in the steelmaking private sector and a man of substance in Yorkshire.

He is chairman of the Yorkshire and Humberside Economic Planning Council. Apparently, harking some of the sound rules in steelmaking, Samuel Osborn makes its special steels near Bradford and transports the steel down the M1 by road to a modern rolling and finishing mill at Ecclefield near Sheffield.

The Ecclefield mill is a prominent feature of the industrial landscape which, it could be an important factor in the merger now proposed.

Sophisticated The foundry business, in which Weir is heavily invested, is moving inexorably up-market to make more sophisticated products on a production line rather than a batch basis.

It is using higher-quality materials increasingly and is investing heavily in the future. The Government has given it a remarkably generous boost with the ferrous foundry industry scheme under Section 8 of the Industry Act 1972. Under the scheme, some 600m of Government assistance is already being made available to the industry.

Whereas the ferrous foundry industry used to be poles apart from such gentry as Samuel Osborn, makers of special tool steels, high-speed steels and stainless steels, the relationship is now becoming closer as the nature of the foundry trade changes.

An automated ferrous founder working with alloys such as Weir which already provided lean finance in a venture to build up private sector steelmaking in Britain.

PRETORIA PORTLAND CEMENT COMPANY LIMITED

(Incorporated in the Republic of South Africa)

PRELIMINARY PROFIT ANNOUNCEMENT FOR THE 15 MONTHS ENDED 30 SEPTEMBER 1977

| | Fifteen months ended 30.9.1977 | Twelve months ended 30.6.1976 |
|---|--------------------------------|-------------------------------|
| Turnover | R800 123 362 | R800 73 269 |
| Profit before taxation | 22 113 | 18 373 |
| Less: Taxation (including provision for deferred taxation) | 8 736 | 5 629 |
| Profit after taxation | 13 377 | 12 744 |
| Less: Attributable to outside shareholders in subsidiaries | 812 | 825 |
| Consolidated net trading profit | 12 565 | 11 919 |
| Dividend declared (R000) | 4 629 | 3 177 |
| *Number of fully paid shares in issue ranking for earnings and dividend (000's) | 14 969 | 12 343 |
| *Earnings per share | 80.2 cents | 97.1 cents |
| Earnings per share excluding benefit of investment allowances | 77.8 cents | 71.6 cents |
| Dividends per share | 32.5 cents | 26.0 cents |

* The 527 864 "A" shares in issue do not rank for earnings and dividends until after the financial year ending 30 September 1979.
 ** Calculated proportionately in respect of shares issued during the period.

Dividend
 A final dividend No. 140 of 6.5 cents per share has been declared. This dividend, together with the two interim dividends Nos. 138 (9 cents per share) and 139 (17 cents per share) declared on 8 February 1977 and 10 August 1977, respectively, makes a total of 32.5 cents per share for the 15 months period ended 30 September 1977. This is equal to the dividend indicated in the circular to shareholders dealing with the acquisition of The Northern Lime Company Limited. The final dividend No. 140 is payable to shareholders registered at the close of business on 18 November 1977 and a formal notice to this effect appears below.

Annual Financial Statements
 The annual financial statements for the 15 months period 1 July 1976 to 30 September 1977 will be posted to shareholders at the end of November 1977.
 Signed: I. G. H. Bulterman, Chairman
 J. P. Cronje, Deputy Chairman

Declaration of Dividend No. 140
 Final Dividend No. 140 of 6.5 cents per share in respect of the 15 months period ended 30 September 1977 has been declared in South African currency payable to members registered in the books of the company at the close of business on 18 November 1977. The register of members will be closed from 19 to 28 November 1977, both days inclusive, and dividend warrants will be posted on or about 13 January 1978. Where applicable, taxation by way of non-resident shareholders' tax will be deducted from the dividend payments at the rate of 14.43 per cent.
 The full conditions of payment of this dividend may be inspected at or obtained from the company's registered office, the office of the company's London secretaries and also the offices of the company's transfer secretaries in Johannesburg and the United Kingdom.

By order of the Board
 F. D. W. Peachey, Secretary


Office of London Secretaries:
 Charter Consolidated Limited,
 40, Holborn Viaduct,
 London EC1P 1AJ

Share Transfer Office of the London Secretaries:
 Charter Consolidated Limited,
 P.O. Box 102,
 (Charter House),
 Park Street,
 Ashford, Kent
 TN24 8EQ.

27 October, 1977
 Registered Office:
 Sixth Floor,
 Devonshire House,
 49, Jorissen Street,
 Braamfontein,
 Johannesburg 2001
 (P.O. Box 31181 Braamfontein 2017)

Transfer Secretaries:
 Rand Registrars Limited,
 Second Floor,
 Devonshire House,
 49, Jorissen Street,
 Braamfontein, Johannesburg 2001
 (P.O. Box 31179 Braamfontein 2017)

What gets an industrial process off to a quicker start?



ELECTRICITY

The only pushbutton power
 It's a basic fact, easily overlooked, that electricity is the only process power that comes to you fully refined. Only electricity is instantly available energy, to use at the touch of a switch.

Lower overhead costs
 Unlike most fuels, electricity does not require expensive plant to store and convert it. It needs no tanks, bunkers, flues, combustion air supply, heat exchangers, steam pipes.


- Valuable floor space is released.
- Costly maintenance is reduced.

Processing benefits
 Across industry, electricity proves itself in many ways.

- Consistently high efficiency.
- Reject rates dramatically reduced.
- Lower unit costs achieved.
- Faster throughput - faster recovery of the original investment.

Cleaner and quieter working, too
 And to all the other benefits of electricity must be added the advantages of cleaner, quieter working conditions inside your factory and a cleaner environment outside.

The Industrial Sales Engineer at your Electricity Board can advise you on ways in which electrical techniques might be applied in your organisation - profitably. Get in touch with him now.



INVESTELECTRIC
 The Electricity Council, England & Wales

This electric infra-red oven at Vauxhall, Luton, stoves the acrylic finish on car bodies at the rate of forty an hour.

HOME NEWS

Thistle Field on stream soon

By Ray Dafter, Energy Correspondent

NORTH SEA oil production is about to receive a further boost. British National Oil Corporation said yesterday that the first production well was being drilled in its Thistle Field, which should be on stream within two months.

The capital cost of developing the field is thought to be about \$1bn (£565m). Eventually the oil will be transported ashore via the Brent pipeline system.

The Corporation said that Thistle would begin production at a rate of about 40,000 b/d. Two drilling rigs operated by Santa Fe, one of the Thistle partners, had already drilled 13 wells to about 1,300 feet below the ocean floor.

The partners have chartered three tankers, each capable of carrying about 600,000 barrels in refineries in the U.K. and over seas.

Orders for machine tools highest since 1975

By KENNETH GOODING, INDUSTRIAL CORRESPONDENT

THE MACHINE tool industry is extending the fact that the recovery and 30 per cent. above those at the end of 1975.

Order books at the end of July were worth £244m., the highest since 1975. In terms of current activity, home orders-on-hand were equal to more than six months' home deliveries.

In the three months to July the industry is estimated to have taken on 200 more people, taking employment to 50,300. Since the beginning of the year employment in the industry has risen by an estimated 600.

The statistics obscure to some extent the fact that the recovery has been rather patchy, and in the same time last year.

Trade and industry magazine today shows that the home market accounted for much of the recovery shown by the statistics. Orders-on-hand, £133m at end July, were 17 per cent. up on the previous three months.

Building society rates may change

By Michael Caspell, Building Correspondent

A FORECAST that investment rates might differ in future between building societies, came yesterday from Leeds Permanent Building Society, the fourth largest.

Mr. Leonard Hyde, general manager of the society, which has assets of nearly £300m, said in London that there was a growing disparity between the position of small and large societies, and that the situation might eventually be reflected in the interest rates they paid to savers.

"The Leeds has decided, like the Abbey National, not to reduce its rates on accounts which existed before November, the date on which the Building Societies Association has recommended a cut in the ordinary investors' rate from 6.7 per cent. net to 5 per cent."

Existing Leeds accounts and deposits subsequently put into them, will continue to attract the 6.7 per cent. rate until the end of January. All new accounts after November 1 will receive the lower recommended rate.

Mr. Hyde said many larger societies, because of successful investments and lower management expense ratios, found themselves in a much better position than smaller ones to sustain the investors' rate, despite the recent cut in mortgage rate. The Building Societies Association, he said, was overreacting to the situation "as a matter of urgency".

Car output higher after setbacks

By TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

CAR PRODUCTION in September rose by 15 per cent. compared with the same month last year as output got under way again after the summer holiday period and the long toolmakers' strike at Lucas, one of the industry's main suppliers.

Production last month amounted to 118,913 units, in the nine months so far this year car production has been 2 per cent. above that of a year earlier.

The figures, issued by the Department of Industry yesterday, show that commercial vehicle production is improving much more quickly than the plants in the U.K.

Materials stockpile urged

By Our Energy Correspondent

THE GOVERNMENT was urged yesterday to use North Sea oil revenue to stockpile raw materials for industry.

Mr. Michael Monaghan, an industrialist and member of the Labour Party's 1973 Industry Group, said that the Government could take advantage of the depressed commodity prices.

When the world economy picked up, taking with it commodity prices, British factories would find it easier to compete in the export market. Factories could be encouraged to buy part of their raw materials from the Government stockpile at today's prices.

Night jet flights face tougher restrictions

By MICHAEL DONNE, AEROSPACE CORRESPONDENT

RESTRICTIONS on the movement of jet aircraft at night from Heathrow and Gatwick airports, suspended in late August because of the strike of air traffic controllers, will be reimposed from Tuesday.

The winter quotas for night jet movements from the two airports will be tougher than in previous years, amounting to only 2,000 at Heathrow and 1,400 at Gatwick for the winter season from November 1 to March 31.

There are signs that the strike will end soon, following an offer of pay rises made to the assistants by the Civil Aviation Authority.

In any case, the Department of Trade believes that, with air line schedules reduced during the winter months, and more hotel accommodation available near the airport in winter, the airlines at all during the restricted hours.

Small cut

Mr. Hyde emphasised that he did not expect collapse of the recommended system of interest rates, but that a more flexible system might be necessary to take account of the societies' differing situations.

The Leeds Permanent intends not to maintain the higher rate of interest beyond the end of January, though Mr. Hyde did say the position would depend on actions of other societies. He thought the Leeds would be pledged to ensure that its investors received "as good a deal as those with any other society."

Mr. Hyde said another small cut in the mortgage rate might be decided soon, and that assets of the Leeds Permanent in its last financial year rose from £1.627bn. to £1.89bn. A total of £377m. was lent on mortgage against £362m. in the previous year.

The number of loans dropped from just over 43,000 to nearly 42,000. The society's liquid funds at the end of the year were over £365m., which is 19.35 per cent. of assets, in 1976 they represented 13.85 per cent. of assets.

Sterling policy threatening money target, say brokers

By PETER RIDDELL, ECONOMICS CORRESPONDENT

THE Government's policy of maintaining the stability of the sterling is likely to conflict with the money supply targets unless further measures are taken soon, according to City stockbrokers Phillips and Drew in their post-Budget assessment.

The brokers suggest that the influx of foreign funds into the U.K. will continue and will endanger the 9 to 10 per cent. target for the growth of sterling M3 in 1977-78. They project a 2 to 3 per cent rise in the month to mid-October on top of the 2.2 per cent. increase in the previous month.

It is also pointed out that a decision to allow sterling to float might lead to higher interest rates.

A rise in Gross Domestic Product in real terms of 4 per cent. between the second halves of this year and next is forecast compared with a Treasury projection of a 3.1 per cent. increase. The respective figures for personal consumption are 4.1 and 3.1 per cent., partly reflecting the brokers' assumption that earnings will rise by 1.75 per cent. if the present pay round, rather than by the Government target of 10 per cent.

Notice of Redemption Sumitomo Chemical Company, Limited 6 1/2 % Guaranteed Sinking Fund Debentures Due 1979

October 28, 1977

Metal Box advertisement with logo and text: Thinking internationally: it's Metal Box's business. Expertise in packaging, food preservation and marketing is in increasing demand all over the world.

IF YOU SMELL GAS-RING US advertisement with safety rules and contact information for British Gas.

HOME NEWS

هَذَا مِنَ الْأَصْلِ

Municipal chief attacks support grant system

FINANCIAL TIMES REPORTER

MASSIVE LOCAL government investment was needed to stop the decline of Britain's cities... Councillor Smart said that under one method of distribution resources would actually be taken away from areas where they were needed most.

Walker proposes easier inner-city development

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

CERTIFICATES for industrial development should be waived as part of a programme to revive inner-city areas... Mr. Walker said that the question of inner cities, with their concentration of people living on the economic and social margins of society was the most serious social problem confronting the Government.

Share deals used as cover for currency frauds, court told

BY MARGARET REID

THE STOCK EXCHANGE system of put-throughs was used by a City stockbroker to hide the real nature of a £6.6m. plot to conduct major currency frauds... The prosecution claimed that this system was used by the stockbroker firm of Lewis Altman and Co. to suggest, as a means of facilitating the transfer of large sums abroad.

Water Board savings bring £18m. profit

THE THAMES WATER Authority made a profit last year of £18m. because of savings in the authority's operations... The Authority, in its third year since reorganisation in 1973, made administrative savings of £5m., cutting financing charges by £2.3m.

New leisure vehicles

ELECTRACTION, a British electric vehicle design company, is planning to launch two leisure vehicles next year... The vehicles will be made for Electraction by AC Cars. Mr. Roy Haynes, joint managing director of Electraction, said yesterday that they would be aimed mainly at the U.S. market.

Radio 4 waveband switch may sell many sets

BY ARTHUR SANDLES

THOUSANDS OF Radio 4 listeners may have to buy new radio sets if they are to continue to receive their favourite programmes... In a year's time the BBC is to make the major radio frequency changes internationally agreed in negotiations over wavelengths.

Open University

The major changes will be: Radio 1 to 275m. (1088 kHz) and 256m. (1163 kHz); Radio 2 goes to 430m. (698 kHz) and 330m. (909 kHz) on medium wave; Radio 3 goes to the present Radio 1 frequency, 247m. (1215 kHz); Radio 4 loses its medium-wave frequency and goes to two long-wave spots—1500m. (200 kHz), and 1322m. (227 kHz) in central Scotland.

Deferred tax plan adopted

BY MICHAEL LAFFERTY

CONTROVERSIAL new rules for accounting for deferred tax in company accounts have now been adopted by the Accounting Standards Committee... The new standard, which has still to be approved by the six accounting bodies and which may not be published until the new year, will be effective for accounting periods beginning after July 1978.

New cost yardstick introduced for plant hire concerns

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

THE CONTRACTORS' Plant Association has launched a system of cost studies which will enable plant hirers for the first time to have an accurate picture of the real current costs of owning, operating and replacing various types of plant... The introduction of the system takes place against the background of an unprecedented recession in the construction industry.

We're looking for a site for our next store

Sainsbury's are looking for sites for new store development and are anxious to get in touch with anyone who knows of land which could be developed for this purpose.

As an incentive Sainsbury's are prepared to negotiate a contract for the development and construction of stores with anyone who can effect a successful introduction, with the intention of involvement in future developments. The sites they are seeking fall into four categories:

12 acres plus

For SavaCentres - large scale hypermarkets which are jointly operated by Sainsbury's and British Home Stores.

These sites must be within five miles of a town centre in an area of high density population and served by good road communications.



4-6 acres For district shopping centres with parking. Sainsbury's will undertake the whole development and lease shops to other types of retail outlet.

Alternatively sites of around 3 acres will be considered for supermarkets with parking.

Town Centre Sites For development of supermarkets which should have nearby or adjacent parking.

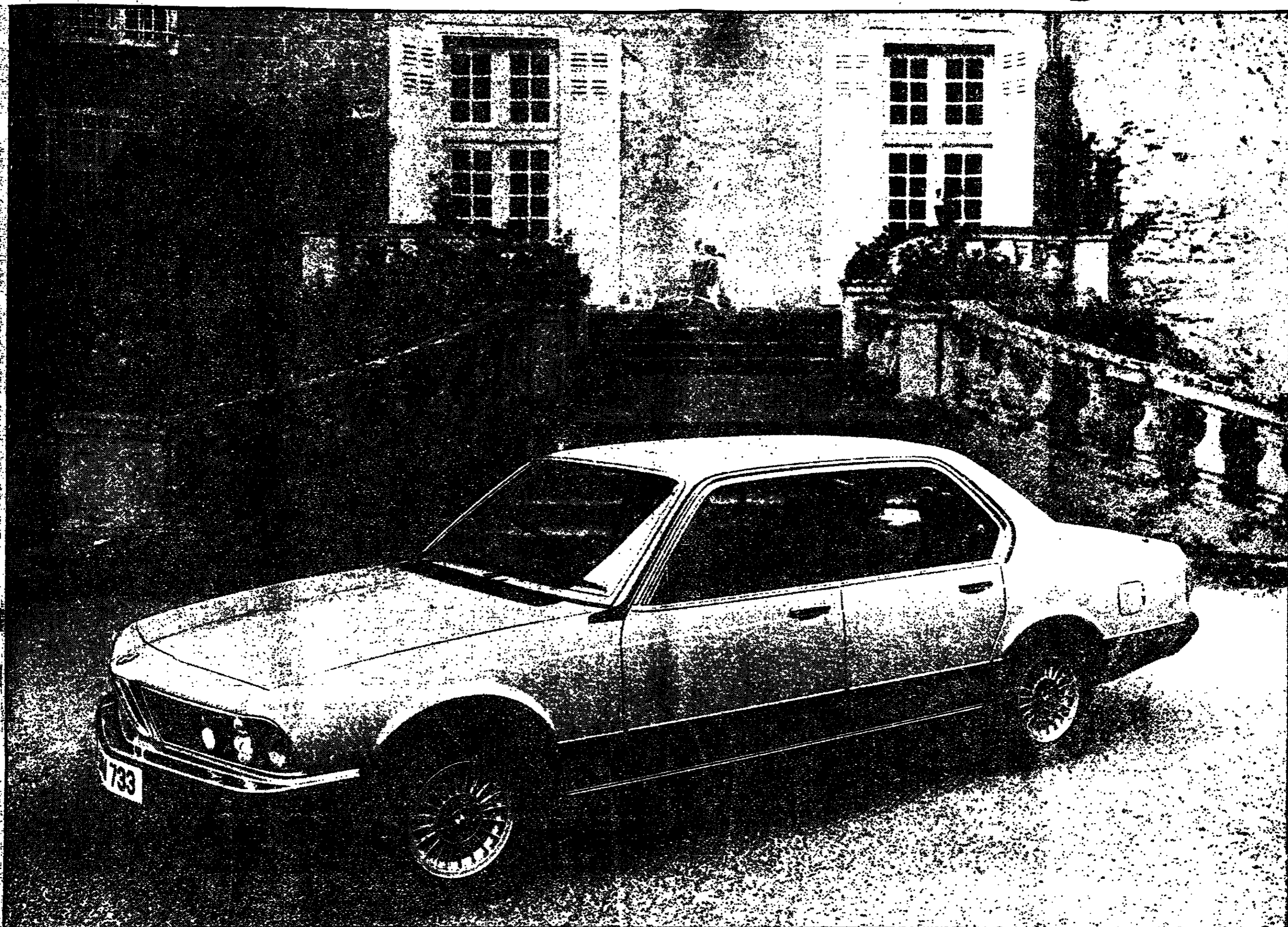
3-4000 sq. ft. units Suitable for the development of freezer centres.

Sainsbury's have the know-how. Do you have the know-how? If so telephone Brenda Hunter on 01-928 3159 or write to Gurth Hoyer Millar, Development Director, at the address below.

Sainsbury's

J Sainsbury Limited, Stamford House, Stamford Street, London SE1 9LL

One doesn't have to be successful to have style.



But it helps.

The world of fine luxury cars has produced many brilliant examples. At BMW we felt it would be unnecessary and prohibitively expensive to create a car with even more luxury than the best available at the moment.

The concept design basis of the BMW 7 Series was not, therefore, to produce simply another exceptionally comfortable car, but one with a dynamic and refined performance.

Luxury
The first impression one has when looking at one of the 7 Series is a car of exceptional yet quiet beauty, of disciplined power and of engineering and coachwork of the very highest quality.

Sit in the car and one immediately has the feeling of absolute comfort and excessive spaciousness especially in the back. The seats are anatomically designed for both comfort and support. The driver's adjusts for reach, angle and height.

Heating and ventilation is very sophisticated and can be finely set. Pneumatically controlled, warm and cold air are pre-mixed and delivered in three controllable zones—face, body and feet. Air directed at the face is about 8% cooler than air to the feet, so the ideal of 'cool head warm feet' is achieved. In the 730 and 733i the rear passengers have their own independent heating and ventilation which they control themselves. Ventilation is also channelled into the front side windows for immediate demisting.

Quietness is now quite outstanding. Wind noise has been drastically cut by aerodynamic design and closer bodywork 'fit', and engine noise is even lower due to new sound damping.

In the areas where luxury cars excel—design, quality, comfort and quietness—the 7 Series has found new and better technological answers.

Performance

Most luxury cars are heavy and, whilst being fairly fast in a straight line, have neither good handling nor 'agility'. They are passive rather than dynamic cars. This is not the case with the 7 Series.

The chassis combines two apparently contradictory extremes—luxurious ride with exceptional handling. The new front suspension allows softer ride whilst giving better stability with less 'dive' and 'roll'. At the rear the race proven semi-trailing arm is used. All wheels independently and correctly align themselves for the best possible ride and hold on the road regardless of the surface or camber.

Once in the car one realises that the cockpit is totally driver orientated. Seat and steering can be adjusted to any driver for maximum comfort and ease of control. Considerable research has gone into the layout and has resulted in a 'wrap around' console. All dials are equi-distant from the driver's eye, all controls come immediately to hand.

As soon as one drives the car one understands the advantages of the BMW philosophy of making the driver the essential element of car design. Stress and difficult situations are reduced and the pleasure of being able to drive both courteously and as one pleases is very rewarding.

Safety

The core of the 7 Series 'passive safety' is the passenger compartment. This rigid cell with its integrated roll over bar, longitudinal and vertical supports remain intact on impact when the front or rear safety zones absorb energy. Inside the car, padded upholstery has been developed into a complete protective system. It operates at three different levels—face, shoulder and below window level with different forms of padding to give maximum protection.

In 'active safety' terms the driver is the essential element. So everything is designed, researched and developed to make his task simpler and more efficient.

The 7 Series incorporates many highly advanced, technological improvements to help prevent the worst happening. The most important being the new 'double pivot' front suspension. This gives exceptional directional stability—should one wheel hit slush, or a tyre burst, the car will remain on line.

This stability allows a new dual braking system—if there is a failure the car brakes on one front wheel and the opposite rear wheel which, with the new front suspension, eliminates slewing.

Driving Pleasure

The 7 Series combines performance and comfort in a way that no other cars have done before. A passenger has all the luxury, the smoothness of ride and the quietness to make any journey a pleasure. The driver has the effortless power and performance which encourages a new spirit of driving.

This, then, is the new BMW 7 Series range. Cars in the very highest luxury class with sophisticated, refined and powerful performance. A unique and exceptional choice amongst the world's greatest cars.

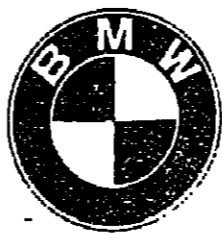
Performance glossary (Manual figures only. Source BMW)

728: 2.8 litres, 170 bhp, 0-60 in 10 secs, max 120 mph
730: 3.0 litres, 184 bhp, 0-60 in 9.4 secs, max 125 mph
733i: 3.3 litres, 197 bhp, 0-60 in 8.9 secs, max 128 mph.

Prices: 728: £8,950. 730: £10,540. 733i: £11,550.

All prices correct at time of going to press.

Leasing: In today's financial conditions, leasing a BMW can create substantial advantages. Your BMW dealer will be happy to put you in touch with expert advisors on leasing who can describe the schemes in detail.



The new BMW 7 Series. For the joy of motoring.

BMW Concessionaires GB Ltd, 991 Great West Road, Brentford, Middlesex. 01-568 9155. Export, NATO & Diplomatic: 56 Park Lane, London W1 01-629 9277.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

SAFETY

Softens the blow

ENERGY absorbing hydraulic bumper beams for attaching to the rear of lorries to prevent cars and other vehicles under-running the platform, and for car front bumpers are being introduced by Quinton Hazell Automotive, the component supplier.

The bumper was initially developed under contract with the Transport and Road Research Laboratory. In tests at the Motor Industry Research Association's proving ground cars were crashed into the rear of a stationary trailer with the new under-rider at speeds of 17, 30 and 35 mph.

The under-rider and trailer were undamaged, and from data from the fully instrumented dummy passengers, there was every indication that fatalities can be avoided and serious injury reduced.

PETER CARTWRIGHT

QUALITY CONTROL

Fast test for bolts

DEVELOPED by Dartec of Stourbridge is a machine able to tensile test bolts at the rate of 2,000 in a 40-hour week. The company claims that nearly 11 hours can be saved over the week in comparison with other testing methods.

The machine has an automatic re-set action to save time. The operator simply places the bolt in the machine, revolves the safety shields into position to

protect against fragmented metal, and pushes the start button. Testing then takes place in accordance with BS 3692 and BS 1788; the machine can take bolts up to M-30/11 in diameter.

The equipment is able to carry out tensile tests of full size bolts and screws and prepared test pieces, and also the proof loading of bolts and screws, wedge loading tests and proof tests on nuts. More from Mill Race Lane, Stourbridge, West Midlands (Stourbridge 77433).



PACKAGING

Speeds the whisky exports

A FULLY automatic packing line with a rated output of 150 bottles/minute has been installed at Strathleven Bonded Warehouses, Dumbarton.

The line is being used to pack bottles of J and B Rare Whisky straight from the filling line into individual gift wrapped cartons which are then automatically collated into dozens in corrugated export cases for shipment to the U.S.

Designed and installed by DRG Lairds Packaging, part of the Dickinson Robinson Group, the installation consists of a special Kilkirk Cartoning machine with Helix labellers and a Vickers Pyramid wrap-around case packer, together with all ancillary equipment and conveyors.

The line has been assembled specifically to pack gift cartons for the U.S. It currently handles the U.S. 4/5 quart bottle and can also be adjusted to take the U.S. quart and the new metric sizes.

COMPUTERS

Digital's new flagship

DESCRIBED by the company's president Ken Olsen as "a milestone equal to the original PDP-11, Digital Equipment Company's new 32 bit machine, christened VAX-11/780 was unveiled in Boston, Mass., earlier this week.

The machine is an upward extension of the present PDP-11 systems and rounds out DEC's range following the introduction of the LSI 11 micro.

VAX-11/780 is clearly intended by the company to be most things to most men, being described as a general purpose machine which can handle a wide variety of applications in science, industry, education and in the commercial world.

But it is also intended to appeal to original equipment makers and, last but not least to the 50,000 PDP-11 users throughout the world. Emphasis is placed on the promise that resources built up by PDP-11 users in the form of trained personnel, peripheral devices and

INSTRUMENTS

Photocell meters fuel

AN UNUSUAL design of instrument which meters out pre-selected fuel volumes photo-electrically to determine the fuel consumption of diesel and petrol engines is now being marketed in the U.K. by EGB Tool and Equipment Company.

Main application will be in research, production and quality control in the engine industry and in work connected with fuel injection systems. Different models of the device can dispense one, two or three chosen volumes between 25 and 10,000 ml.

Initial and final fuel levels are detected by reflecting light at 45 degrees from the fuel surface into photocells giving volume accuracies repeatable to 0.2 per cent. The device signals start and stop digital timer and revolution counter on a separate electronic control and display unit, which can be computer linked if necessary.

An advantage is that since there are no moving parts, no recalibration is needed. Further, the unit can be wall mounted and fitted directly into the fuel feed pipe of the engine under test, so that no fumes can escape. More from 243, Horn Lane, London W3 9ED (01-993 3944).

Information unit ready next year

FORMED last year (with backing from the Institution of Electrical Engineers, The Chemical Society and Derwent Publications) to provide a terminal-based dial-up service for provision of paper abstracts, Info-Line has now chosen CRC Information Systems for the provision of the necessary computing facilities.

As a result, Info-Line expects to announce the introduction of operational services during the latter half of next year; they will be available in both the U.K. and Europe.

The contract will involve the setting up of the Info-Line databases on CRC's own hardware and providing a remote on-line access facility to users. The information will be resident on CRC's Univac 1100, using 300 Megabyte disk drives. A further 6000 Megabyte of data accessible through the computing company's network which provides local dial-up facilities in 15 U.K. multiplex centres as well as several master sites in Europe. Info-Line is on the 1876 and CRC on 01-263-2929.

HAND TOOLS

Cable end stripper

A USEFUL aid to the technician involved with signal frequency equipment who has to prepare the cable ends for plug soldering and other purposes, the COAX-1 stripper can deal with cables up to 7.5 mm diameter. The tool has four apertures and a common cutting blade. Each blade is guaranteed for a minimum of 100 operations and can be adjusted to cut through the screen and braid in the insulation leaving 7 mm or 12 mm of length, the third strip from the dielectric and the fourth cuts through the cable.

It uses the spring loaded cutting blade is opened by pressure on the handle and the cable inserted. The tool is then spun round and the blade pressure is sufficient to complete the cutting and stripping operations.

More from AB Engineering Company, 4 St. Albans Road, Watford WD4 4AN (Watford 20556).

OFFICE EQUIPMENT

Will read and print

CONSIDERED to be of particular interest to engineers and architects because of its A3 screen and printout (18 x 24 inches) is the Orion microfilm reader/printout from Caps Microfilm, 7 Westmoreland Road, London NW9 9RG (01-204 4111). Pilkington Group company.

It is claimed to be unique in that it will accept either positive or negative microfilm on either fiche, aperture cards, 16 or 35mm roll film.

Rippers with a 200 sheet capacity feed the electrostatic 35 x 315 x 45 inches.

CONFERENCES

Speak up or forever

ALL those in British industry whose business involves the sending digital data from one place to another would do well to note that three official seminars are taking place soon at which they will be able to make their views known about data transmission and what should become of it in the future.

The exercises are being organised by the National Committee on Computer Networks, set up by the Department of Industry to advise the Secretary of State on the needs of its users in the U.K. and the ways of satisfying those needs. In a recent statement the NCCN makes it clear that the Government is anxious to ensure that whatever advice is given should reflect "the real views and requirements of both existing and potential data communication users."

The NCCN believes that even those organisations and individuals who at the moment do not use computers will soon find their working environment profoundly affected by the changes in data communications methods likely to take place in the next decade or two.

Soft-pedalling the position to some extent, the NCCN statement says that both Government and Post Office policy "will have a fundamental effect on these developments" in fact, because of the P.O. transmission monopoly, it will decide them, so that if users wish to ensure that planned facilities truly match their requirements they had better speak now or forever hold their peace.

The first two seminars will be held in central London on Wednesday November 30 and Thursday December 1. The third will be at the National Computing Centre, Oxford Road, Manchester on Monday December 5. Proceedings in all cases start at 10.30 a.m. and close at 4.30 p.m. Eminent speakers in the field are expected to describe possible future developments and outline possible costs and the part they will also be outlining issues as they stand at the moment. An interesting point is that all the participants will be asked to fill up a questionnaire so that their views will be recorded in writing.

However, there will be only 2,000 places altogether, and reservations will be accepted on a strict pre-payment basis (£5.00). Only one delegate can be accepted from each organisation.

These three seminars are clearly of the utmost importance since decisions taken now will affect the shape and nature of the computer networks of the future. One almost certain item on the agenda, scheduled for otherwise, will be the interface between the proponents of circuit and packet switching.

Reservations to NCCN Seminar Bookings, The National Computing Centre, Oxford Road, Manchester M1 7ED: (061 275 6333).

Rising cost of water

MEANS of countering what is the cost of water and its treatment are to be discussed at a one-day conference to be held at the Carlton Tower Hotel, London, on December 7.

Pollution prevention, effluent treatment costs and alternative methods of waste water disposal will also be the subject of papers presented by specialists from the Severn Trent Water Authority, Anglian Water Authority, National Research Development Corporation, and the Metropolitan Water Board.

Details of this event may be obtained from European Study Conferences, Kirby House 51, High Street East, Uppington, Rutland, Leics LE19 9PZ (07282 2711).

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The Rt. Hon the Lord Goodman, former Chairman of the Newspaper Publishers' Association.



THE STOCK EXCHANGE CHAIRMAN'S LECTURE No.8 28th September 1977

THE STOCK EXCHANGE

'A newspaper's version of truth is a question of what the editor thinks is true.'

"First and foremost, one has to recognise what is the motivation of a newspaper, or a television company, or a radio company, in seeking information. It is not to advance the interests of the human race. You do not by publishing fifty books have five times as much wisdom and guidance and skill and knowledge as if you publish ten books, and you do not, by having four channels, have four times as much entertainment and joy and gaiety as if you had one channel. I think one of the things we have to think about in relation particularly to television is how we make sure our standards do not alter."

The Chairman's Lectures are by now a well regarded platform for world figures to discourse on matters of current or long-term importance. On 28th September, Lord Goodman set out his views on "The Media and Business".

If you would like a free copy of the full text of Lord Goodman's lecture, please fill in the coupon and send it to:

The Chairman's Lecture No. 8, The Public Relations Office, The Stock Exchange, London, EC2N 1RP. Please send me a copy of Lord Goodman's Lecture on "The Media and Business."

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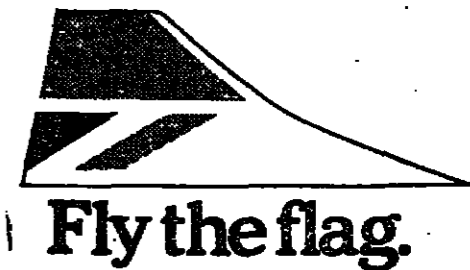
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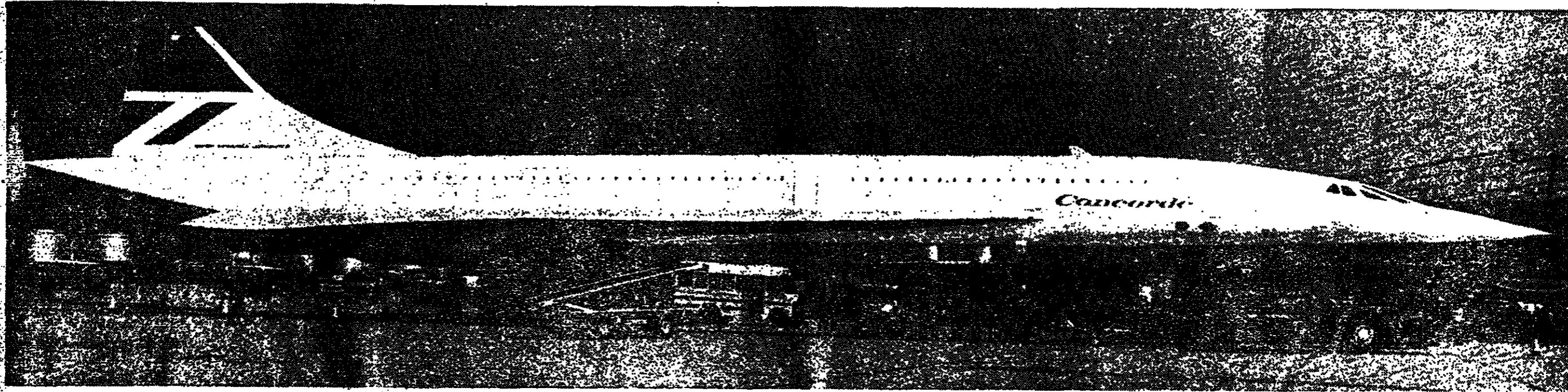
British airways ANNOUNCE

Friday, October 28, 1977



WEST to New York in 3½ hours... EAST to Singapore in 9½ hours

IT'S CONCORDE'S NEW WORLD!



Concorde on the ground at Kennedy Airport after its first flight to New York.

The Houston connection is fastest

DIRECT services are operated by British Airways to seven cities in the United States apart from New York and Washington... and there are also special connections available with US domestic airlines to speed passengers to other centres.

The seven cities are Anchorage, Boston, Chicago, Detroit, Los Angeles, Miami and Philadelphia. In addition, the airline has services to New York from Manchester and Glasgow.

Houston is one of the important offshore points to which British Airways can speed business travellers, through their arrangements with US airlines.

By flying on the supersonic Concorde to Washington and then linking up with an Eastern Airlines service, passengers can be in the Texas oil capital two-and-a-half hours faster than on a direct subsonic flight.

Other Link-Ups offer quick services from London to Houston via Miami, using Continental; to New Orleans via Washington, using Eastern; to Tampa via Miami, using Eastern; to Dallas-Fort Worth via Chicago, using Braniff; to San Francisco via Chicago, using United; and to Atlanta via Boston, using Delta.

Quick

Among the advantages of using the British Airways Link-Up services into the United States are:

Speedy connection times, baggage checked through to your destination, accelerated Customs clearance, and British Airways' staff on hand to assist with the transfer from one aircraft to another.

Coming east, the American airlines are able to allocate passengers specific seats on the British Airways' jets which they are to join.

By using the British Airways service to Chicago, passengers can obtain quick onward connections to such points as Denver, Kansas City, Minneapolis/St Paul, Portland, Salt Lake City, San Diego, Seattle and Tulsa.



Twelve ways to Araby

TWELVE POINTS in the Arab world are now served by British Airways, and this gives business travellers a better spread of services out of Britain than any other airline.

Highlights of British Airways' extensive services to the Middle East include:

- TriStars to seven points in the Gulf.
- A daily TriStar at 0905 to Abu Dhabi and Dhabran.
- An increase of services to Beirut this winter to three each week.
- A daily non-stop VC10 service to Jeddah.
- IRAN: There are also twice-daily VC10 services to Tehran.

CONCORDE is continuing to change the world of air travel.

Now British Airways is launching new supersonic services to New York and Singapore to join those already operating to Washington and Bahrain.

Concorde will start flying to New York on November 22.

The supersonic airliners, which fly at speeds of up to 1,350 miles an hour, will take only three and a half hours from take-off to landing to cross the Atlantic. This is about half the time taken by subsonic jets.

New York

Initially, there will be two Concorde services each week

between London and New York, but frequency will be increased to four a week in December and six a week in February.

In local timings, Concorde will arrive in New York earlier than it leaves London. The aircraft will leave on Tuesdays and Sundays at 1115 and arrive at Kennedy Airport at 1000.

Return flights - from New York on Wednesdays and Mondays will leave at 1215, arriving at Heathrow at 2100.

By December, the New York service will have been stepped up with departures on Tuesdays, Wednesdays, Fridays and Sundays, returning from New York on Wed-

nesdays, Thursdays, Saturdays and Mondays.

British Airways' Concorde to Washington will operate daily until November 21, and then on five days a week - Mondays, Wednesdays, Thursdays, Fridays and Saturdays - at 1300, arriving at 1210.

They return on Sundays, Tuesdays, Thursdays, Fridays and Saturdays, leaving Washington at 1230 and arriving at Heathrow at 2140.

Singapore

The service to Singapore will begin in December and will be operated in conjunction with Singapore Air-

lines as an extension of the Bahrain service which was started in January last year.

It will reduce the time between London and Singapore by five hours and 20 minutes. With only one stop at Bahrain, Concorde is scheduled to fly between the two cities in nine hours and 30 minutes.

To Singapore, the joint British Airways/Singapore Airlines services will leave London three times each week, on Sundays, Wednesdays and Fridays at 1300, arriving at Singapore at 0600 the next day.

The return flights from Singapore will be on Mondays, Thursdays and Saturdays leaving at 1130 and arriving in London at 1315. These Concorde journeys will be completed in nine

hours, 15 minutes, slicing six hours and 10 minutes off the fastest subsonic time of 15 hours and 25 minutes.

Arrival times of the Concorde flights will make it easier for business travellers to obtain same-day connections to many other destinations in the Far East.

By using Concorde, there could be a saving of seven hours 45 minutes to Jakarta, six hours 15 minutes to Manila and five hours 20 minutes to Kuala Lumpur.

Passengers will gain all the other advantages of travelling Concorde - including special check-in and lounge facilities at Heathrow, and a more comfortable flight, due to the almost complete lack of turbulence at 60,000 feet, Concorde's normal cruising height.

Japan over the Pole

WIDE-BODIED British Airways Boeing 747 jumbo jets will fly over the North Pole to Japan from London three times each week this winter.

The services leave London airport at 1255 on Mondays, Wednesdays and Fridays and, after only one stop at Anchorage, Alaska, touch down at Tokyo at 1500 the following afternoon local time.

On Tuesdays and Saturdays, faster 707 aircraft leave Heathrow for Japan at 1035. After calling at Moscow, they arrive at Tokyo at 0955.



Fly to the beauty of Kilimanjaro

THE first flights from Europe into Kilimanjaro are to be inaugurated by British Airways from November 5.

At the same time, the airline will step up its existing services to other East African destinations.

The Kilimanjaro service will be operated once each week by a VC10 airliner.

The airport, in the north east of Tanzania, serves an area famous for its wealth of

wildlife and scenery and will make an excellent jumping-off place for unusual holidays.

In the area are the Serengeti, the Lake Manyara and the Tarangire national parks and the Ngorongoro Crater.

Connecting services are operated from Kilimanjaro by Air Tanzania to Mwanza, on the shores of Lake Victoria, and to Ganga, on the

Indian Ocean coast.

British Airways' services from London to Dar es Salaam are being increased from two to three each week and to Khartoum from four to five each week.

One of the Khartoum services - on Saturday - continues on to Addis Ababa. VC10s and Boeing 707s are used on these routes.

There is also a daily 747 service to Nairobi.

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WHY NOT CUT THIS OUT AND KEEP IT?

The Property Market

BY JOHN BRENNAN

British Land sells in Dublin

British Land confirms that it is discussing the sale of its 240,000 square feet Setanta Centre in Dublin. But Irish market sources strongly suggest that the office building has already been sold in principle to the British Coal Board's pension fund for just under £15m.

The building is jointly-owned by British Land and the Irish development group Hardwick. But it is entirely financed by the British group and a sale would clear around £10m. of its £180m. borrowings.

Setanta Centre is one of the Irish capital's finest office developments, and around 70 per cent. of the building has been occupied close to asking rents of £4 a square foot.

The Setanta sale would mean that British Land had refunded another £22.6m. of debt since its major refinancing package last month.

The recent sale of its shareholding in Bridgewater Estates netted £1.1m. cash, and in addition Mr. John Ritblat, British Land's chairman, reports £5m. of property sales in this country since the refinancing. The balance of the refunding comes from the recent placing of £7.5m. of British Land's new 15 per cent. Debenture stock in the market.

At the group's annual meeting in September Mr. Ritblat had said that it was planned to

hold this £7.5m. of stock within a British Land subsidiary. The decision to sell brings in cash, but increases the group's interest costs by £1.1m. a year.

£16.5m. for Town & City

A veil of silence has been drawn over negotiations for the £37.5m. sale of Berkeley Square House. But stockbrokers Schaverien provides an insight into the deal in their October Property review, published this week.

Town and City Properties and the Prudential have never publicly revealed details of the division of ownership of the 300,000 square foot office complex. But the brokers' records show that the Prudential, as freeholder, received £360,000 of the building's current £1.1m. rent roll. In 1981 the arrangement changes to give Prudential 83 per cent. of the income. And in that year rent reviews fall due on 200,000 square feet of the offices, currently let on an average rent of just under £5.70 a square foot.

A little back of a calculator speculation leads Schaverien to the conclusion that the Prudential will take around £21m. of the sale proceeds leaving T and C with a very welcome £16.5m. cash. That would give T and C an exit yield of 7.3 per cent. of its current rental income.

Extending the calculations, the brokers suggest that a £37.5m. price tag on the building implies an equated purchasing yield of under 7 per cent. for British Rail Pension Fund and the Airways

Penmon Fund. On the basis of a projected discounted rental of £16.5m. in 1981, the purchase yield drops to 4.9 per cent.

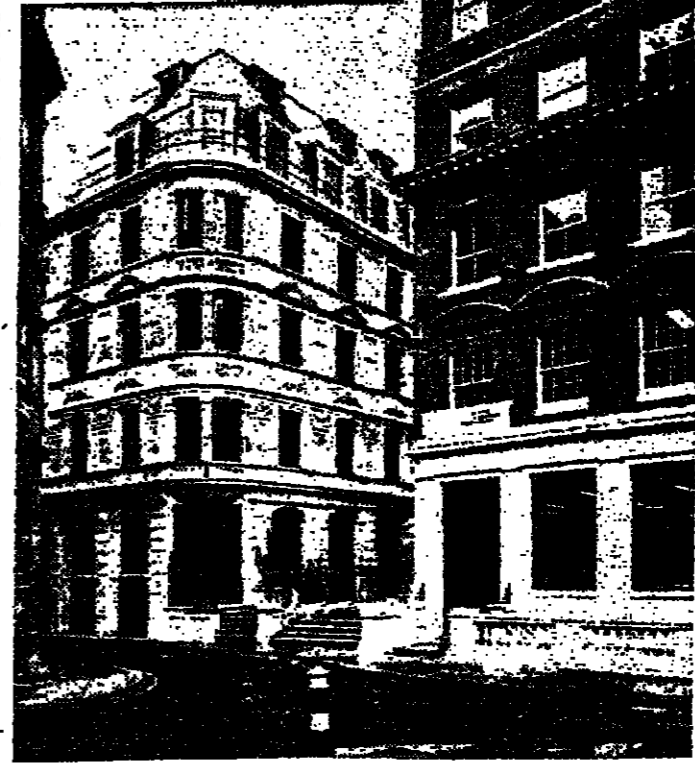
It will be several months before purchasing negotiations are complete. And in the mean time neither T and C nor Prudential will be drawn on the details of the sale. But if the broker's yields stand up they underline the exceptional institutional demand for quality properties.

An equated yield of under 7 per cent. for the joint purchase of a multi-tenanted building of this size would not have been out of place in the boom days of the early 1970s. And recent whippers of Central London offices—and even ground rent—sales of more than £10m. on yields of under 5 per cent. support that new boom feeling.

In its general review of the sector Schaverien sees the physical market underpinned by the weight of institutional investment funds into the 1980's. Looking at property shares they recommend sales of English Property Corporation and Law Land. But they favour British Land's 12 per cent. convertible loan stock, Bradford Properties, MEPC, Evans of Leeds and Centrovincial.

In Brief

- Barclays Bank was unwilling to give the sale price of its Tour Astro scheme in Brussels on Tuesday. But the bank's comment about a price that was "better than we might have hoped" after February's £16m. valuation, turns out to be a minor understatement. Société Nationale de Credit à l'Industrie paid more than £30m. for the 30-storey office tower. Not much more, but enough to cut the bank's gross loss to around £15m. Property and assets worth £8m. taken earlier this year by Barclays from the Grasshopper Property Unit Trust as part of the deal to take over the liability of the Tour Astro, help to offset the loss.
- News of the largest office sale in Brussels will soon be complemented by details of the largest industrial property sale in the city for many years. King and Company have just sold the 9,700 square metres first phase of the Deacon Group's airport trading estate at Diegem. The Dutch pension fund, the (und has also contracted to buy the 5,350 square metres second phase of the scheme, all of which has been pre-let on an effective yield of under 8 1/2 per cent.
- J. Sainsbury is planning its most ambitious expansion programme to date with a search for supermarket sites in 16 northern towns. The group's 183 existing stores are concentrated in the south and Midlands, and the drive north will give it coverage in the area up to Lancaster and York.
- Sainsbury has no firm views on whether to develop sites or buy completed units. But it is looking for space to accommodate 12,000-15,000 square foot stores with adequate car parking and for a few larger areas to take Saver Centres, the hypermarkets operated by Sainsbury's joint company with British Home Stores. These centres run to 70,000 square feet of retail space and need a 10-12 acre site.
- In the past three years Sainsbury has been among the most active of the retailing own-developers, investing around £70m. in new stores and building up a £130m. property portfolio.
- Over the past five years the number of rent review negotiations referred for arbitration to the Royal Institution of Chartered Surveyors has increased ten-fold to over 3,000 a year.
- Tenants' increasing willingness to fight reviews has inspired Leslie Lintott and Associates to take a close look at the whole question of review negotiations. And the agents have come up with the argument that landlords' pressure for increasingly restrictive leases with ever shorter rent review periods has created a reaction in the form of tenant resistance to higher rents.
- The case against tighter leases centres on the point that the easier the lease the greater the tenant's effective equity in a building, and the higher the justifiable rent on review. Lintott believes that a clear rental discount is emerging for leases with more frequent reviews as this, ostensibly obvious point, sinks in. The agents also take a jaundiced view of full repairing and insuring leases. These leases have become fashionable as a way of reducing management problems. But less direct management cost means that, for example, rating assessments are not actively negotiated and future rents are depressed by undue rate charges.
- Looking at the tenants' side of review discussions, Lintott advise a structural survey and a local search before getting down to figures. The sad case of the tenant who signed new rental terms shortly before work started on an adjacent motorway flyover makes their point.
- Capital and Counties remains everyone's favourite bid speculation. But the latest spate of rumours, citing BP's pension fund as a suitor, are, at the least, premature. Union Corporation has still not sold its key 28.4 per cent. stake in CCPC. And although there is persuasive logic in the idea of adding CCPC's residual West End properties to the oil fund's Mayfair and Knightsbridge estates, could the fund afford it? A poor oil fund may seem to be a contradiction in terms. But £55m. for Knightsbridge is believed to have soaked up much of this year's spare cash.
- Fear of continuing inflation and the effects of the uncertain political climate are turning the Dutch into a nation of home buyers. Savills, in a review of property in Holland, report that house prices rose by 21.2 per cent. in 1975 and 24.9 per cent. last year.
- As residential property is a traditional investment medium for Dutch institutions the overheating of the housing market has made funds nervous about prices and increased the pressure on other property investment areas. As a result, prime office yields have slipped to 6.5 per cent., shops are just a fraction higher and prime industrial properties sell down to an 8 per cent. yield.
- Despite the block on central and local government office expansion, Jones Lang Wootton forecasts heating of the housing market



Mr. Horace Cutler, Leader of the Greater London Council, yesterday promised that "London will not operate a policy of restrictive office building, and the dead hand of bureaucracy will not be allowed to thwart progress." Speaking at the topping-out ceremony for U.K. Provident's 162,500 sq. ft. redevelopment of the old Waring & Gillow building at 189 Oxford Street in London's West End, Mr. Cutler went on to say, "the sooner the system of Office Development Permits becomes redundant—together with the

Location of Office Development Permits cannot positively be determined. The G.L.C. has promised for a more open market office development system, ill-considered controls, and resulted in "high" rents without new jobs to the extent there would be a "high" rent office market. However, the unemployment figures are quite and violence." U.K. Provident and joint letting agents, Edward Barnes and Gross Fleck & Baker, will be pleased to hear that the topping-out ceremony that followed was a very interesting speech. But the tenant has another reason to celebrate this week. It will soon announce the letting of its 25,000 sq. ft. City office refurbishment at 15 Austin Friars, in the shadow of the Stock Exchange building. The air-conditioned building, shown here, has been let to an unnamed merchant bank for around £13 a sq. ft. U.K. Provident's letting agents, Vigners, are not satisfied about the £2.5m. as around 38 per cent. of the floor space is below ground. Baker Harris Saunders asked for the bank. 15 Austin Friars was originally to form part of a major redevelopment scheme. But the sale has been abandoned and U.K. Provident, are separately marketing 14 Austin Friars, the 6,200 sq. ft. neighbouring building. Vigners are asking just over £14 a sq. ft. estimate that 5m. square feet of provincial offices, have been occupied since April, three times the take-up of the previous two years. Letting pressures grow, but provincial rents are still flat. However, it is believed that it is only a matter of time before the lack of new space, the growing local letting demand and overspill of offices from London force rents up.

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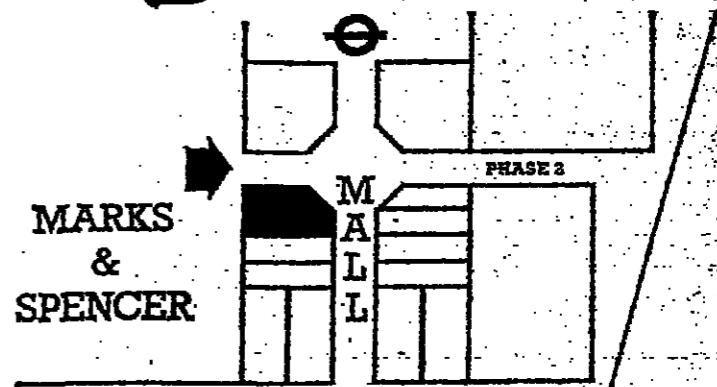
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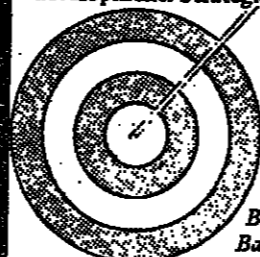
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LEGAL NOTICES

No. 00315 of 1977 In the HIGH COURT OF JUSTICE Chancery Division Commencement Court, in the Matter of S. J. & P. HUGHES (BUILDING CONTRACTORS) LIMITED and in the Matter of The Companies Act 1948. NOTICE IS HEREBY GIVEN that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 17th day of October 1977, presented in the said Court by 31 & 3 ENGINEERS LIMITED whose registered office is situated at Star House, Matton Lane, Porters Park, Uxbridge, Middlesex, and that the said Petition is directed to be heard before the Court at the Royal Courts of Justice, Strand, London W.C.C. 2LL, on the 21st day of November 1977, and any creditor or contributory of the said Company desiring to support or oppose the making of an Order on the said Petition must appear at the time at hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished to the undersigned in any creditor or contributory of the said Company requesting such copy on payment of the regulated charge for the same. BRABY & WALLER, 2-3, HIND COURT, Fleet Street, London EC4A 3DS. Ref: F 7711. Tel: 01 363 9511. Solicitors for the Petitioner.

THE COMPANY'S ACTS 1968 to 1967 S. 9. Court Advertising Limited Notice is hereby given, pursuant to section 283 of the Companies Act 1968, that a Meeting of the Creditors of the above-named company will be held at Winchester House, 100, Old Broad Street, London E.C.2 on Wednesday, 2nd November, 1977, at 12 noon, for the purpose of ascertaining the claims of the creditors of the company in sections 284 and 285 of the said Act. Dated this 26th day of October, 1977. By Order of the Board, D. E. HUSON, Secretary.

PUBLIC NOTICES

NALTON BOROUGH COUNCIL 5735 0000 Nalton Borough Council Bill passed 28th October 1977 - the 1977-78 financial year will be closed on 31st March 1978. Applications invited £3,628,000 - £7,256,000 BUDGET outstanding.

COMPANY NOTICES

RODHESIAN CARBLES LIMITED (Registered in Rhodesia) NOTICE OF EXTRAORDINARY GENERAL MEETING Notice is hereby given that an Extraordinary General Meeting of shareholders will be held at the registered office of the Company at Linton Road, Worthington, Salisbury, on 18th November, 1977, at 12.30 p.m., to consider and if deemed fit, to pass, with or without amendment, the following resolutions: (1) AS SPECIAL RESOLUTIONS 1.1. THAT the authorised ordinary share capital of the Company be and is hereby increased from 9900 000 (nine hundred thousand) pounds divided into 1 800 000 (one million eight hundred thousand) shares of 55 (five pence) each to 34 000 000 (thirty four million) pounds divided into 618 182 (sixty one thousand eight hundred and eighty two) shares of 55 (five pence) each. 1.2. THAT the nominal value of the shares to be issued in pursuance of the above resolution be and is hereby increased from 1 800 000 (one million eight hundred thousand) pounds to 34 000 000 (thirty four million) pounds. 2. AS ORDINARY RESOLUTIONS 2.1. THAT the Board of Directors be and is hereby authorised and empowered to issue, by way of a capitalisation issue from reserves, 1 800 000 (one million eight hundred thousand) shares of 55 (five pence) each. 2.2. THAT the unissued Share Capital of the Company after the issue of an additional 2 300 000 (two million three hundred thousand) ordinary shares of 55 (five pence) each (resolution 1.1. above) and after the proposed capitalisation issue (Resolution 2.1. above) be and is hereby divided into 618 182 (sixty one thousand eight hundred and eighty two) shares of 55 (five pence) each and that the Directors be and are hereby authorised to grant options or otherwise dispose of such shares to such persons at such times and for such consideration and upon such terms and conditions as they may see fit, and subject to the requirements of the Companies Act 1968 and the Companies Act 1967. A member entitled to attend and vote at the above mentioned meeting is entitled to appoint one or more proxies to act in the alternative as his proxy, to attend and vote in his stead. A proxy need not be a member. Proxy forms must be lodged at the registered office of the Company at least 48 hours before the commencement of the meeting. BY ORDER OF THE BOARD, Secretary.

COMPANY NOTICES

THE AGRICULTURAL MORTGAGE 6 1/2% DEBENTURE STOCK 1975-77 The above stock is due for redemption at the latest date on which transfers will be accepted for registration is 28th November 1977. The register of stock will be closed on the evening of 30th November 1977 and the redemption money will be payable to the persons then registered as holders of the stock.

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COMPANY NOTICES

G.K. BAZAARS 1975) LIMITED (Incorporated in the Republic of South Africa) NOTICE TO 2ND SECOND CUMULATIVE PREFERENCE DIVIDEND No. 78 NOTICE IS HEREBY GIVEN that the half-yearly dividend of 5% has this day been declared available on the 30th November 1977 in the territory of the Republic of South Africa to all holders of 2nd Second Cumulative Preference Shares registered in the books of the Company at the close of business on the 15th November, 1977. The total non-resident shareholders' applications for the dividend will be considered on 15th November 1977. The Register of Members will be closed in Johannesburg and London from 15th November 1977. Both cases inclusive, for the purpose of the above dividend. By Order of the Board, J. B. PARNALL, Secretary.

COMPANY NOTICES

NOTICE IS HEREBY GIVEN that the 1977-78 financial year will be closed on 31st March 1978. Applications invited £3,628,000 - £7,256,000 BUDGET outstanding.

COMPANY NOTICES

NOTICE IS HEREBY GIVEN that a dividend of 5% on the ordinary shares of the company has been declared for the financial year ended 31st October 1977. The dividend will be payable on 15th November 1977 to shareholders registered in the books of the company at the close of business on 15th October 1977.

COMPANY NOTICES

NOTICE IS HEREBY GIVEN that the 1977-78 financial year will be closed on 31st March 1978. Applications invited £3,628,000 - £7,256,000 BUDGET outstanding.

COMPANY NOTICES

NOTICE IS HEREBY GIVEN that the 1977-78 financial year will be closed on 31st March 1978. Applications invited £3,628,000 - £7,256,000 BUDGET outstanding.



English Property Corporation Limited

INTERIM REPORT

The results for the six months to 30th April 1977 (unaudited), with comparative figures, are as follows:—

Table with 4 columns: Item, Six months to 30.4.77 (£'000), Six months to 30.4.76 (£'000). Rows include Net property investment income, Profits less losses on property dealing, Deposit interest and other income, Less: interest, Net revenue before taxation, Taxation, Net revenue after taxation, Less: minority shareholders' interests, Net revenue attributable to holding company.

Notes 1 The figures above for net property investment income and interest are arrived at after making the following transfers in respect of development properties:—

Table with 4 columns: Item, United Kingdom (£'000), Overseas (£'000), 1977 (£'000), 1976 (£'000). Rows include Net property and administration expenses, Interest, 1976, 1977.

2 Advance corporation tax of £626,000 on the preference and ordinary dividends has been provided in the figure for taxation. No similar provision was made last year. An adjustment of £580,000 has, therefore, been made to the 1976 figure for taxation, to show the comparison with the amended treatment. 3 Preference dividend paid for the six months to 30th April 1977 amounted to £44,000 (1976—£44,000).

The results which are presented in the same form as the last annual accounts, show net revenue, before taxation, of £4,638,000 compared with £2,391,000.

The net revenue attributable to the holding company has risen to £1,174,000 from £677,000.

The directors have declared an interim dividend of 1.25p per share (1976—1.25p) on 93,709,755 shares ranking for dividend (1976—£2,616,801) amounting to £1,174,000 (1976—£1,033,000) which will be paid on 6th June 1978 to ordinary shareholders on the Register at the close of business on 28th November 1977.

The interest element on development properties has increased to £11,553,000 from £9,250,000. This arises from the combination of the high interest rates in the United Kingdom which prevailed for the period in question and a larger development programme, particularly in North America. It is expected that the figures for the second half of the year will decrease by reason of the reduction in United Kingdom short term interest rates and variations in exchange rates. It is also expected that this trend will continue in Britain and Europe because of the reduction in the volume of expenditure allocated to development properties.

The Group development programme in Brussels will be completed by the end of 1977. In a difficult but improving market about 50% of the total floor space of approximately 535,000 sq. ft. has been leased to prime tenants.

The increase in minority shareholders' interests to £2,634,000 from £1,795,000 reflects the sale of a substantial interest in Trizec Corporation Ltd. ('Trizec') in 1976. The new managerial arrangements in Trizec are working well and we expect increasing benefits from our North American interests.

The trend of reducing interest rates and increasing firmness in the property market in the United Kingdom are factors which should benefit the Group.

English Property Corporation Limited

16 Grosvenor Street London W1X 0DX Tel: 01-499 0444

Telex: ENGPROP LDN 24906 Cables: ENGPROP LONDON WI

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ROYAL BANK OF CANADA

DIVIDEND NO. 30 NOTICE IS HEREBY GIVEN that a dividend of 5% on the ordinary shares of the company has been declared for the financial year ended 31st October 1977. The dividend will be payable on 15th November 1977 to shareholders registered in the books of the company at the close of business on 15th October 1977.

LONDON BRICK COMPANY LIMITED

NOTICE IS HEREBY GIVEN that the 1977-78 financial year will be closed on 31st March 1978. Applications invited £3,628,000 - £7,256,000 BUDGET outstanding.

COMPANY NOTICES

NOTICE IS HEREBY GIVEN that the 1977-78 financial year will be closed on 31st March 1978. Applications invited £3,628,000 - £7,256,000 BUDGET outstanding.

ENTERTAINMENT GUIDE

Entertainment Guide listing theatres, operas, ballets, and cinemas. Includes sections for Opera & Ballet, Theatres, and Cinemas with details on various productions and showtimes.

The Management Page

EDITED BY CHRISTOPHER LORENZ

As the Royal Society of Arts gives a batch of company awards, Sue Cameron discusses the judges' criteria from an industrial viewpoint

Design management: more than mere cosmetics?

ONE OF the winners of the 1977 Royal Society of Arts Presidential Awards for Design Management insisted this week that design must never be confused with cosmetics.

It would be interesting to know whether all the judges of the RSA award scheme would give their wholehearted agreement to this dictum. The names of this year's award-winning organisations were announced yesterday but the stated aims of the scheme beg a number of questions as to exactly what is meant by "design management."

The official line on the awards, which are administered by the Design Council in conjunction with the RSA, is that they are meant to "contribute to industry's awareness of the role of design in improving the environment as well as increasing profitability and business performance."

They are also intended to "encourage a comprehensive approach to design" and cover not only manufactured products but also showrooms, premises, advertising, printed material, liveries, signposting, and many other things "which contribute to the total quality of a company as seen by its customers, employees and others."

There is no doubt that the seven winners of the 1977 awards match up to these vague criteria. Whether design "awareness" is the same as good design management is rather more debatable. In any event, from the judges' citations, it would appear that effective management of product design was not one of the chief concerns. They seem to have been more interested in appearances.

The winners themselves are a mixed bunch—Mothercare, Hornsea Pottery, The Post Office, The National Trust, Ernest Scragg and Sons, Grant Instruments, and Chubb and Son. They were chosen from a total of 15 entries, most of whom were invited to apply for an award by the RSA and the Design Council.

Perhaps the most interesting

of the winners are Ernest Scragg, Grant Instruments, and Chubb. All three are engineering concerns and according to Mr. John Blake, head of the Design Council's information division, this is the first time that engineering companies have really featured in the award list.

Pricing

It was Mr. Peter Windeler of the Chubb group, which includes security, fire and safety equipment engineering companies, who commented on the dangers of confusing cosmetics with design. He said the cosmetic side of engineering industry—appearance and packaging—was important but design should rightly refer to such things as product performance and pricing.

"Good design management has to mean that the marketing, manufacturing and design sections within a company all work together on the development of new product ideas or on suggested modifications for an existing product," he stressed. "Designers must have a thorough knowledge of the manufacturing process itself so that they know what the implications of their designs will be in terms of plant and manning levels required. There is obviously no point in coming up with designs that are going to prove too expensive for the market because of high production costs. It would be equally ridiculous to start manufacturing something that nobody wanted to buy and this is where the marketing people are important. In our 40 companies the design, marketing, and manufacturing departments work together at every stage while the managing director of each concern acts as a referee when necessary."

Mr. Windeler's concept of what is central to good design management is not really reflected in the judges' citation of Chubb. This says: "The design of fire, security and

safety equipment demands exacting standards of innovation, research and development and Chubb has amply demonstrated its leadership in these fundamental aspects of the products it makes. But it has long recognised that the technical qualities of its products must be evident to buyers and users in the care taken over the external details and ergonomics of design. Chubb has therefore retained over many years an industrial design consultant whose wide ranging responsibility has helped the group to extend its design awareness beyond its manufactured goods to its print, its packaging and to those other elements embraced by the term "house style."

The excellence of the group's products has already been acknowledged in four Design Council awards, one of which also received the Duke of Edinburgh's Design Prize. Such achievements, allied to the consistent development of other aspects of the group's design policy, have brought their reward in terms of an admirable business performance, leaving the judges in no doubt that the group provided an exemplary demonstration of good design management."

Mr. Cecil Chapman, chairman of Grant Instruments, which manufactures laboratory equipment concerned with precise temperature control, seemed to see good design management in much the same terms as Mr. Windeler.

He, too, stressed the importance of close liaison between designers, marketing people and—in Grant's case, the company's suppliers of plastic injection moulding tools. Mr. Chapman pointed out that this view of design management was different to that adopted by the RSA and the Design Council for the purposes of the award scheme. He added that design awareness in all aspects of company life, including offices and factories, was also important.



Some of yesterday's award winners, covering an unusually broad spectrum of achievement: technical innovation in engineering, restoration of buildings, corporate images, and service to the customer.

The award judges homed in on this last aspect of Grant's activities. In their citation they paid tribute to the way the company had made its products safer and easier to use, so enhancing the appeal to customers, but they devoted rather more space to Grant's environmental approach.

They noted that the company carried out its business "in a modest and unobtrusive manner as much for the benefit of the workforce and the quality of the semi-rural environment in which it is situated as for the product it manufactures."

All this is most admirable, but whether it is really design management is another matter.

Mr. Blake, who as well as heading the Design Council's information division also acted as secretary to the judges, argues that well-designed buildings are important because they

encourage people to work with maximum efficiency.

He says good product design is crucial to the successful operation of any manufacturing exercise but adds that there are a number of other things which "fan out" from the product itself. These include packaging, sales literature, instructions for use and also the corporate identity of a manufacturing organisation.

Mr. Blake insists that all these aspects of a business need to be well designed if they are to fulfill their functions efficiently and so help to sell the main product. He adds that the various design processes need to be managed at the highest level within a given company.

"Design impinges on a very wide range of activities," he says. "Yet all too often design analysis of the need for better professional and inexperienced way. design and the advantages that

"The purpose of the RSA awards is to make people realise that design is likely to come under the aegis of many different managers inside a manufacturing organisation. And it needs just as much expertise as any other aspect of management."

It also needs money. If companies invested more in design they could cut their development costs, their products could become easier to manufacture and their goods might also stand a better chance of success in the market place. What is more, the real cost of allocating a greater proportion of resources to design would be comparatively small. Designers' salaries would be virtually the only expense.

Few industrialists would quibble with Mr. Blake's analysis of the need for better design and the advantages that

can accrue from it. But the designer needs are a good brain allied to creative ability," he says. "Designers don't require a great deal of equipment—often just a paper and pencil. An industrial company should then be able to provide plenty of other people who can translate the designer's ideas into production terms."

Mr. Blake points out that there is a distinct difference between the people known as industrial designers, who are concerned mainly with appearance and ease of use, and technical designers who are normally engineers with a high degree of technological skill. He also admits that all designers should have some knowledge of the industrial restraints that will be brought to bear on their original, creative ideas, but Mr. Blake does not think it is necessary for industrial designers to have a detailed understanding of manufacturing processes.

Liaison

But this approach to design management would seem to be only part of what is required. Close liaison between the marketing, manufacturing and design departments of an industrial organisation would seem to be vital.

Lovely buildings, elegant showrooms and clever packaging are important—and laudable—but in most industries they must take second place to the manufactured product. The RSA Presidential awards do not seem to recognise this, although some of the award winning companies themselves evidently do. And the judges' citations do not really cast any light on the managerial practices needed to exercise effective control over the various aspects of product design.

The day before the RSA awards were announced, a refreshing view of design management was taken by Mr. Peter Gorb, director of the Institute of Small Business Management at the London Business School and a teacher of design management. At a conference held by the Design and Industries Association, he appealed to industrial designers "not to insist on your creativity or your professionalism."

He insisted that design was something more than a process that had to be slotted in somewhere between marketing and manufacturing. Designers needed to play a far more powerful role in manufacturing industry: they ought to become chief executives of companies in much the same way as accountants, but for this to happen, they would have to come out of their back rooms, throw away their professional reputations and take their places in the queue for ordinary line management jobs.

Mr. Gorb said design was the "missing factor" in industry today and designers had much to offer. But they would have to stand on their business abilities—just like arts graduates, chemists and mathematicians—if they were to have any real influence.

On Tuesday we examined the status of manufacturing in Japan, Sweden and Britain. To-day Sue Cameron looks at West Germany.

An engineer's utopia

GERMAN mechanical engineers working in private industry earn more and have greater job satisfaction than their counterparts in the public sector. They also enjoy more responsibility.

These are some of the main conclusions of an unpublished study for the Department of Industry, carried out by Mr. Peter Lawrence, senior research fellow in the sociology department at Southampton University.

The study took as its starting point the commonly-held belief that industry in general and the engineering profession in particular are held in much lower esteem in Britain than in certain foreign countries, including Germany. The aim of the research was to discover the practical implications of attaching high status to engineering and manufacturing.

Mr. Lawrence based his research on interviews with over 1,000 German mechanical engineers with qualifications from either universities or engineering schools. About 70 per cent worked in industry, the rest in the public sector—the railways and post office, as well as central and local government, further and higher education.

Remuneration

The study showed that one very tangible difference between German engineers in industry and those in the public sector concerned pay. The average earnings of the German engineers in the study sample were higher in industry than in the public sector.

These findings were in line with a major German study published in Dusseldorf last year by Professor Eugen Kozog, which showed not only that engineers in industry had higher average remuneration than their public sector colleagues but that this held for all age groups and all qualification levels.

Mr. Lawrence's study underlines that this position is reversed in Britain. He points out that the 1977 salary surveys of the British Institution of Mechanical Engineers and the Institution of Electrical Engineers show that all types of public sector employment offer higher average remuneration than industry. "It may be fairly claimed that this fact is a consequence of the different standards of industry in the two countries," his report says.

The research findings suggest that in Germany family recruitment pressures for engineers to work in industry were strong. Engineers in the sample were asked to explain how they came to choose engineering as an occupation. It was found that



more of those working in industry referred to the influence of their fathers who were also engineers than was the case with the public sector group.

It was also discovered that, for the engineers in German industry, practically did not consist exclusively of technical knowledge and experience. There was a concern for knowledge of economics and for foreign language skills.

Looking back on their engineering training, a higher proportion of those employed in industry said they would have liked more time—or at least some time—in their courses to have been spent on business economics and on foreign languages.

The study goes on to say that the engineers employed in industry were, on average, younger than those in the public sector. A total of 61 per cent of the industry group in the sample were under 40, as opposed to 52 per cent of the whole sample. It was also clear that there existed a small movement away from industry.

These two facts taken together suggest, quite simply, that not all those who begin their working career in industry can stand the pace even though rewards are higher in industry.

Prescribed hours of work are much the same in industry as in the public sector, but we asked the engineers in the sample how long they had worked in the week preceding the interview. We found that 48 per cent of the industry group had worked more than 48 hours as opposed to 33 per cent of the public sector group.

The industry group also emerged as having greater responsibility and authority. A higher proportion of them claimed decision-making authority in a range of 15 areas including research and development, design, training and main-

The Computer Catch-22

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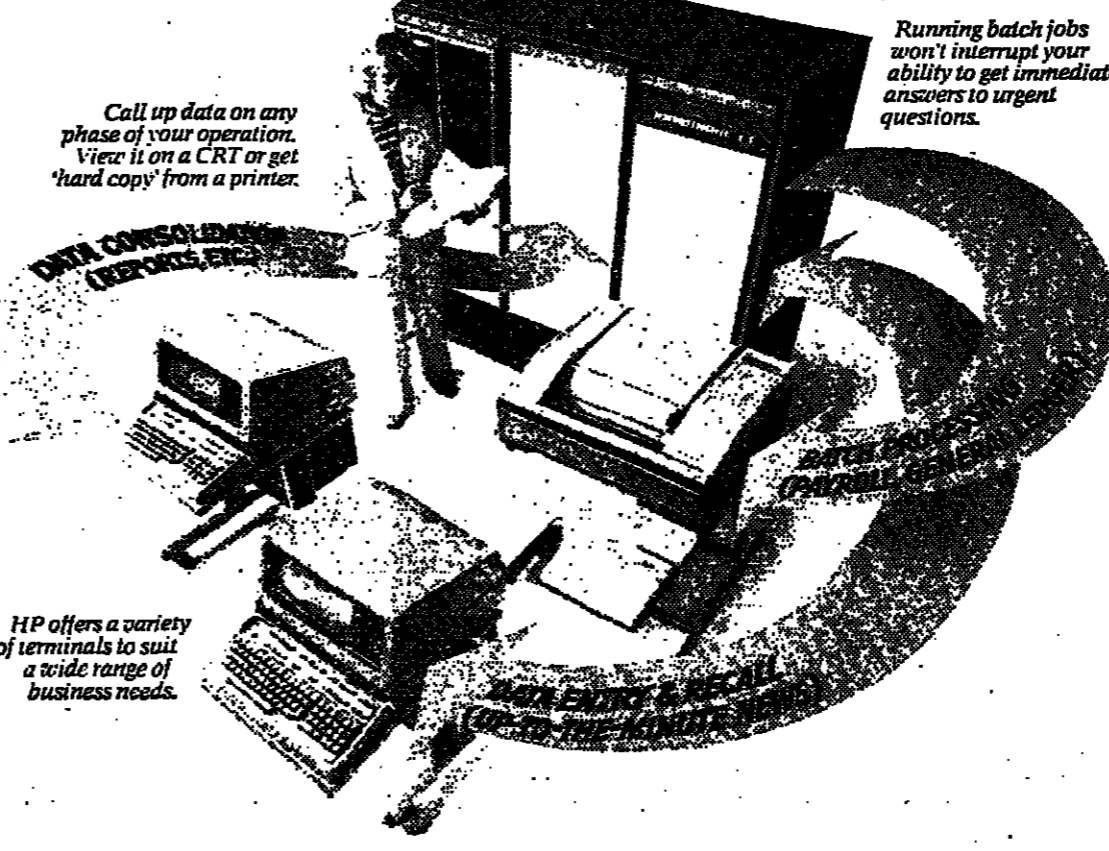
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Friday October 28 1977

Dr. Burns hits back

THE DISPUTE between the U.S. Administration and the Federal Reserve Board about the conduct of monetary policy is now being quite openly conducted, yet it remains difficult to describe clearly the points at issue.

The Chairman of the Council of Economic Advisers, in particular, Mr. Schultz, has argued that technical changes in banking have distorted the standard measures of the money stock and made the present growth targets of questionable value.

Profits level
Although the Federal Reserve and its chairman were not named in this statement, there was no doubt that it referred to them.

It must not be fudged again

IN THE TEN years since the steel industry was nationalised, its affairs have been an almost constant preoccupation of its political masters. When the Conservative Government came into office in 1970 the best part of three years was spent examining the possible scope for reorganising the British Steel Corporation before approval was finally given to what was then a £3bn. programme for modernising the industry.

Record loss
The scale of the losses which the Corporation is now incurring is such that, as its chairman, Sir Charles Villiers, said in a speech last night, it would now be in receivership or liquidation if it were a private sector company.

Strengthening the struggle against hijackers

By MICHAEL DONNE, Aerospace Correspondent

THE acceptance of a demand that West Germany should provide its own security checks at Spanish airports, among others, in the wake of the recent hijacking of a Lufthansa Boeing 737 jet, represents a major new development in the world airline industry's long fight against hijacking and other forms of aerial terrorism.

It follows the threat by the International Federation of Air Line Pilots' Associations, representing 55,000 world airline pilots, of a 48 hours' stoppage unless urgent action to suppress hijacking is taken by governments. The threat, due to be implemented this week, was only removed for the time being because Dr. Kurt Waldheim, secretary-general of the UN, agreed to use his personal influence to try to ensure that action in the UN throws up some solutions to the increasing problem of world terrorism, and the recurrent problem of aerial terrorism in particular.

The UN General Assembly has already agreed unanimously to give immediate attention to the problem of safety in civil aviation, but no date for a full-scale debate in the Assembly has yet been fixed. In the meantime, following an address this week by Captain Derry Pearce, president of the international pilots' federation, the 47-nation Special Political Committee of the UN has passed an emergency resolution condemning hijacking or other offences against civil aviation, and has urged member States to "take all necessary steps" to ensure that passengers and crews are not used as hostages by terrorists.

The responses by the West German Government and world airline pilots can be viewed as the first moves in what may become a new wave of pressure to impose sanctions or other penalties on those countries which provide what pilots call "hijackers' havens," and have made virtually a mockery of the international agreements designed to stamp out the menace of aerial terrorism.

The problem of hijacking, and of other crimes committed against airliners, has been with the air transport industry for many years. In the 1950s and early 1960s, it was comparatively rare, and more than anything considered a potential nuisance. Towards the end of the 1960s, however, it began to assume the proportions of a major crisis for the airlines, resulting in the savage years of 1968 and 1970, when a large number of all the attempted hijackings were successful, as the accompanying table shows. In those two years, there were among others incidents such as the destruction in flight of a Swissair jet over Switzerland; and the hijacking to Dawson's Field in Jordan and subsequent

destruction of jets belonging to BOAC, Trans World Airlines and Swissair. Those events, more than anything else, focused the attention of governments on the problem, and resulted in new agreements between governments that were members of the UN and more particularly members of the International Civil Aviation Organisation (ICAO), the UN's technical aviation agency. The events of 1969 and 1970 virtually destroyed the airlines' hopes of making air travel smoother for everyone, and introduced an era of tight security measures, including searches of passengers and their baggage, plainclothes security guards at airports and aboard aircraft, and even armed troop patrols at airports. At the same time, there were new international agreements designed to close the loopholes open to hijackers. As a result, the number of successful hijackings diminished sharply, while in time the number of attempts also subsequently dropped.

Many of these security agreements still exist, but the extent to which they are practised varies widely, as every air traveller knows. At some holiday airports in the Mediterranean, they are virtually non-existent or at best perfunctory, with body searches giving way to minimal searches of hand baggage. In other places, body searches continue, either with hand-held, or "archway" detectors, through which passengers must pass, but with direct searches of belly-loaded baggage being discontinued. There remain unseen safeguards at some airports and on some airlines, with plainclothes armed guards. El Al of Israel has one of the toughest

security checks at Palma and elsewhere, it would withdraw all its flights, indicated that West German public opinion would tolerate no repetition of the holiday jet hijacking. The German Government has ordered a major tightening of security measures at all German airports, while Japan Air Lines has also toughened its approach, setting up an internal anti-hijack committee with powers to



One of the two Americans in the hijacked Lufthansa aircraft is carried away after being fainting when she and the other victims returned safely to Germany.

THE PATTERN OF AERIAL TERRORISM

Table with columns: Year, Attempts (hijacking or other terrorist attacks), Successes, Failures. Data points for years 1969-1977.

* Measured by whether or not the hijacker/terrorist achieves his aims. † To date.

reputations in the world for the severity and even ruthlessness of its searches of passengers and baggage, and it is known to carry armed "sky-marshals." The increasing slackness in all these measures in recent years in many airlines and airports is directly related to the decline in the volume of hijacking in the mid-1970s. What has shaken the airline industry this year is that the graph appears

to be rising again, and that although the number of successes (measured by the hijackers getting what they want in ransom money or the release of political prisoners) may still be small, each event appears to become more of a dangerous ordeal for the airline's passengers and crew than the one before. What is now worrying everyone in civil aviation is that there have been enough successes in the past two years to result in a pool of "trained hijackers," highly motivated politically and well supplied with ransom money, to ensure that sooner or later there will be another hijacking that may not end so well for the forces of law and order as did the recent Lufthansa hijack. The pilots in particular point to the apparently increasing mental instability and ruthlessness of the latest breed of terrorist, and they fear that in future, faced with the now certain retribution of commando-type rescues, hijackers will become more swift and merciless in their treatment of victims. The nature of aerial terrorism, they argue, is not likely to change simply as a result of the successful ending of the Lufthansa hijacking, and therefore the airline industry's and governments' responses must change, too. There is no doubt that the events of the past few weeks will result in some degree in a toughening of the existing security regulations at most airports, involving further delays to the air transport system, and inconvenience to passengers. Plain opinion will demand no less. The West German ultimatum to Spain that unless it permitted West Germany itself to supplement the existing

'A need for sanctions'

What they really want to see is a much tougher international attitude to the whole problem, involving the imposition of sanctions on countries failing to adhere to the existing pacts, as well as the strict implementation of security measures world-wide, which they believe to have become intolerably lax. But the pilots, and the airlines which have much sympathy with their basic aims, know they face a tough struggle. The weakness of the existing pacts is well recognised. In 1973, in Rome, an effort was made by the ICAO to get yet another convention, that would try to close the loopholes left by the other three. But the effort foundered, for a variety of reasons. One was what many

MEN AND MATTERS

Fight for the long-tailed hake

Toulson most of all is that Russian fishing fleets are relentlessly catching the Patagonian hake and selling it to Britain. It seems that we are already eating it, although known in fish fingers, fish and chips and fish-cakes, but that Nobody will say what the value of the Falklands is worth. "I'll tell you what we need to do," says Toulson. "We need to pull our fish fingers out and get cracking."

Memories of Ben

Up in Wetherby, Yorkshire, the growing likelihood that Gainsborough's full-length portrait of Sir Ben Truman will go to America is demystifying 80-year-old Geoffrey Dent. "I sat under that painting for 41 years in the room, let alone the country."

Tesco teaser

A mystery that has been keeping computer men in acute suspense will be over in "days rather than weeks." This is who is getting the contract for Tesco's computerised stock control system; since it is worth more than £5m, it is the biggest deal in its field in the British retail trade. Last Monday Tesco was due to hold a Press conference to announce this "important decision" — and at the very last moment it was called off. Journalists who turned up expectantly were just as quickly turned away, with no word of explanation. This inevitably led to speculation of some last-minute change of plans. Naturally enough, there has been keen competition for the deal, with

Grand Metropolitan chairman

Maxwell Joseph has sold the painting to raise money to meet his personal tax bills. He bought it in 1972, a year after the Truman takeover by Grace Met. on a valuation of £1.5m by Colnaghi's. Nobody will say what the value of the painting is worth. "I'll tell you what we need to do," says Toulson. "We need to pull our fish fingers out and get cracking."

From the heart

If there were an award for the year's most leaden marketing prose, a strong candidate must surely be the latest circular letter from American Express in search of new credit card holders. It starts like this: "Do you ever think of your career in terms of landmarks? The first time you had your own office, your first business trip abroad? No doubt you take these things very much for granted to-day. But can you recall how important they were to you at the time? I would like to suggest that there may be another landmark in view for you..."

Moving up

Overheard this week in a City pub: "At last my wife's dream of living in a flat in a more expensive part of London has come true — our landlord has just increased the rent by 20 per cent."

IBM rumoured to hold a slight edge over ICL

So yesterday I asked Tesco managing director Ian MacLaurin what has been going on. He sharply dismissed rumours of any hitch, saying the announcement was mainly called off because Tesco chairman Leslie Porter had been "held up in Hong Kong." So when will the lucky winner be named? "Pretty imminently — days rather than weeks." When I pressed MacLaurin for a little more information on Tesco's big buy, he said we would all have to wait and see, then politely hung up.

Why the Leicester?

100,000 new accounts have been opened with the Leicester Building Society so far this year. Why? Because there's such a good range of investment and savings schemes. Because it's one of the very big, very experienced building societies, whose assets are now over £1,000 million. Because it is convenient — there are 1,400 branch offices and local agencies throughout the UK. Now you know why, why not join the Leicester Investors? Observer Live where you like, but invest in the Leicester

Handwritten signature or scribble at the bottom of the page.

Politicians in for a nerve-racking time

THE TRADITIONAL pre- as a gloss on Mr. Healey's speech this week—and as a political course which has become obligatory for commentators at this time of year can be a pretty tedious outing. We have seen all the jumps and 'scussed all the runners far too often before.

But this year's expedition may be more valuable than most. The election is unusually tricky, the timing is remarkably even, and some of the hurdles have been subtly altered since the last year.

First, the runners... no, on second thought I had better abandon this metaphor before I do myself offering Mr. Callaghan a sugar lump or Mr. Thatcher's fetters. First, then, the state of the broad picture and appears to confirm the most cynical view of the motivations of the British electorate. It is certainly consistent with a theory of voting behaviour tied closely to the economy and more particularly with a short time-lag to fluctuations in real disposable income.

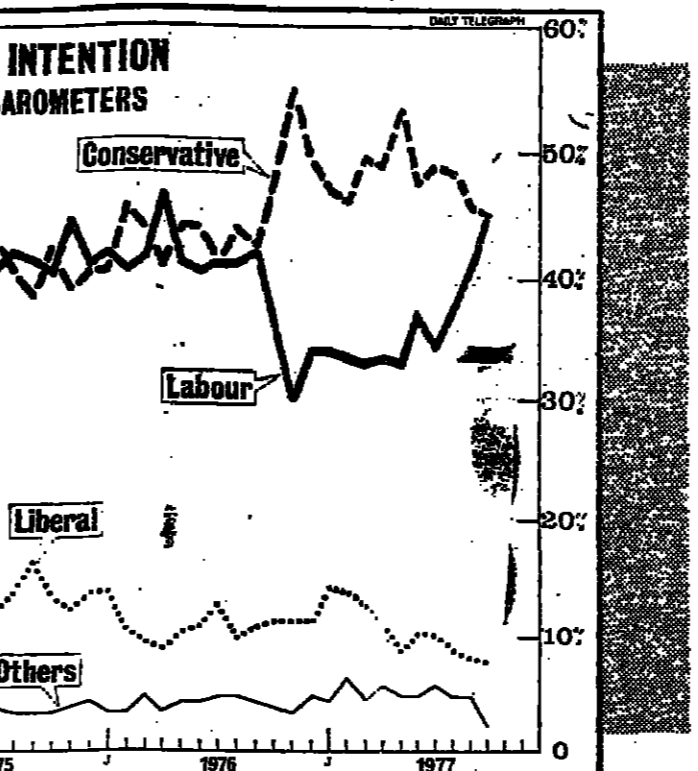
If this were all there were to it, of course, the Conservatives would not have a prayer. Nothing on earth, particularly Mr. Healey's nice little out-of-disposable incomes rising some months. All Mr. Callaghan need do is sit back with his usual amiable smile and whatever date for a general election best suits his holiday plans and the state of the market in Sussex.

On this calculation, moreover, the electoral climate should be favourable for a very considerable time. If one accepts Treasury's half-yearly economic prediction, issued

gradually disengaged from the past and even the present (where immediate economic prosperity counts high) and are concentrated on the future where the "record" certainly counts as a guide but where other questions like policy and personalities and the overall "feel" of the political situation may count for more.

If we start thinking in these terms the whole position looks very different. The question for the new session of Parliament is likely to be less the pace at which the economic indicators react and more the way in which events conspire to highlight the by now well-established strengths and weaknesses of the main political parties. On policy, for instance, it seems to me that the Conservatives stand to gain during this winter—which is why, in an article from Blackpool two weeks ago, I rather rashly committed myself to the proposition that if the election came in 1978 they would have a good chance of winning it whatever the opinion polls might say in the meantime.

The point is that the most salient issues of the coming months are likely to be those in which the mood of the country appears to be in sympathy with the Conservative rather than the Labour approach. The prime example of this, of course, is the question of trade union power. While the unions are so unpopular as they are today, the Government cannot win whatever it does but if it gives in to wage pressure in the public sector it wrecks its economic strategy, and proves that it is in pawn to the greatest vested interest in the land. If



on the other hand, it fights this winter (and who would public opinion than there will be strikes—and that will prove what nasty people Labour associates with. The concern large nationalised concerns like British Leyland, or law and order (and police pay) or immigration or a high ethical tone in Southern Africa. Labour can play conservative with the best of them—and no one better than Mr. Callaghan. But people feel the unease in the Labour Party when this happens—even if the Tribune Group can be dissuaded from shouting it on the roof-tops—whereas the Conservatives in spite of some tensions of their own, will tend to find themselves almost without willing it, nearer

a master at creating a favourable tone during the months of the run-up to an election and in the process he has deprived some of the Opposition's assets of their force.

There is a large element of unfairness about this in that the idea of a male Prime Minister is intrinsically far more "comfortable" for most people than a female one. But there is the additional question of whether Mrs. Thatcher's image is not now set in an iron mould as a result of her past speeches and appearances, and whether any amount of chipping away at the edges by Mr. Chris Patten and other emollient speech writers can undo the damage. The findings of the latest Gallup Poll, taken after her Blackpool speech (generally hailed as one of Patten's best efforts) are strikingly disappointing. Forty-nine per cent think she is proving a good leader of the Conservative Party—a figure which, while it does not match Mr. Callaghan's 59 per cent rating as Prime Minister, is entirely satisfactory. The trouble is that the question "who would make the better Prime Minister—Mr. Callaghan, Mrs. Thatcher or Mr. Steel?" produces 46 per cent for the Prime Minister, and only 29 per cent for Mrs. Thatcher.

The more one ponders this problem the more inevitable it seems that Mrs. Thatcher should try to do a deal in the next few months with Mr. Heath. A rapprochement would not simply kill off in the public mind the constant suspicion that the Tories are a divided party, it would also soften Mrs. Thatcher's own reputation and might actually make her a lot less tense in herself.

Cautious

Needless to say nothing is ever as simple as that. For one thing politicians have learned to be extremely cautious about opinion polls except when they show a settled trend over a long period, and even then the precipitate descent of Tony Blair as measured by this barometer in the past two months shows how rapidly things can change. There is also the unpleasant fact, painfully illustrated for Labour in 1970 and the Conservatives in February 1974 that in a three-week campaign changes occur even faster than normally. And the reason may well be precisely because in a campaign people's minds are

Letters to the Editor

Any higher offers?

From the Chairman, *Building Holdings*.
Sir—Development land tax continues to inhibit the supply of good building land and it is viewed that the mad scramble saw among developers in 1972 accompanied by escalations in price since again, just and the correct rules of play. This time the rules of play be somewhat different from the carnage of the last four years. I am referring to the number of Receivers in session of most of the good not already held by the building developers. Their wares invariably offered on the is "subject to contract or receipt of higher offer," the being applied as a protection against angry creditors. Are not now however approaching stage where the off-criticised ties of unqualified estate agents are about to be suspended, if only temporarily, by use of worthy, and qualified, outants?
B. Prowling,
owling Holdings,
ry Street, Ruslip, Middlesex.

EEC fishing plans

From Mr. R. Jones.
Sir—Just what is the EEC common fisheries plan trying to do? If the intention is really to share out the fish resources available within the 200-mile limit (October 31) when will K. farmers have a share-out of the mainland vineyards? The U.K. happens to have very grounds that have been vended and wisely husbanded. Most regions have a valuable assets, par example, happens have vine-growing regions. at France and Belgium have dery managed what slender hery resources they have, or we chosen to encourage over-entment, is no reason for them to spect the U.K. and Eire to let her regions' labourers into their fishery "vineyards"—un-ess of course the U.K. could ave back its bits of Burgundy nd sally fish to reap harvest here at the time of le vendange. To avoid this line of thought eeming nationalistic, I suggest hat the analogy holds good at he micro-level: should a farmer ne one county demand an allocation of land in another to produce what his local plot cannot? Should I demand access to my neighbour's wild blackberries just because my bushes have een torn up? We should be very careful about "sharing the resources" in case we stifle the life-force of internal trade—they'll want the oil next.
Robert J. Jones,
44, Kent Gardens, Ealing, W.13.

Employment and Universities

From Mr. J. Bilson.
Sir—I believe that your article "How Universities fared in the employment market" (October 20) gives a misleading picture. Michael Dixon asks for an inquiry as to why Essex and the University of East Anglia's employment performance has varied so much from year to year. Simple arithmetic and common sense will answer this for him.
Essex and East Anglia are two of the smaller universities in Britain, and therefore every unemployed graduate from these two constitute a higher percentage. If one looks at the actual

number of people unemployed from each university one can see that the University of London (ranked 31st) had 1,253 graduates unemployed in 1976, whereas Essex (ranked 43rd) and East Anglia (ranked 42nd) had only 119 and 180 graduates unemployed respectively.
Since we are at present in an economic recession, and unemployment figures are the highest since the war, graduate unemployment is bound to rise also. This graduates' unemployment is shown as a percentage from each university's smaller universities' employment performance will vary greatly from year to year. Admittedly Aston which is a small university, ranked first, but if it had only 50 more unemployed (which is insignificant) it would have dropped to 20th place.
John Bilson,
43, Rural Vale,
Northfleet, Kent.

Exchange controls

From Mr. W. Platt.
Sir—While appreciating the view of the chairman of the Stock Exchange Committee regarding exchange controls (October 25), he should remember that the em-barrasingly large inflow of funds into the reserves has taken place

The fight for Bow Lane

From Mr. J. Socker.
Sir—While welcoming your recent item (Men and Matters, October 10) concerning our fight to save the Bow Lane conservation area from wholesale destruction by developers, I would greatly appreciate the opportunity of correcting a number of statements attributed in your article to Mr. Peter Green, Watling Street Properties' surveyor.
The term "grotty," as well as being indefinable, is clearly a subjective description. The opinion that the area is "grotty" is not shared by any of the conservation and amenity bodies, same type of shop premises, and the offices (though not in similar size units). The new development would not, however, replace the existing 3,200 square feet of restaurant space or 11,000 square feet of commercial property. The character and style of the area would be changed completely; in short, redeveloped into yet another corner of the concrete and glass jungle that now forms so large a part of the historic City.
Elsewhere, Mr. Green has been reported as saying "... this corner of London needs to be tidied up. As part of the Heritage Walk I think our proposed development (sic) will be most pleasant." The attitude of someone who wants to tidy up a charming and historic part of a conservation area is similar to that of wanting to put signposts at the junctions of Hampton Court Maze. No matter how pleasant any new development

over remarkably few months and that an outflow can reverse the position in just as short a time.

Despite the foreign currency saving from North Sea oil, we should remember our enormous international debts and not throw caution to the winds by easing the controls too rapidly. Going forward and then having to reverse is worse than standing still.
W. P. Platt,
80, London Wall, E.C.2.

Revaluation of the currency

From Mr. W. Ridley.
Sir—I note another letter in your paper proclaims major benefits from currency revaluation. Thus, Sir Malby Crofton states (October 26) that "it is also a fact that successive revaluations of the German mark and the Japanese yen have led subsequently to higher export volume by both these countries."
This statement is in notable contrast to recent information we have had from Germany. The forecast of the five leading German economic institutes allows for a 4 per cent increase in the export volume in the current year—around half that likely to be achieved by the U.K. It has also been reported that the German export figure for September

is, it cannot be considered a part of the City's heritage.
The fight to save Bow Lane is not merely local. Developers are kicking up because they don't want to lose their businesses' but a widespread rising among conservationists and City workers who are crying out that enough is enough. Modern office blocks may be pleasant enough places in which to work, but where are the office workers to go at lunch-times to escape the concrete and glass, where will the overseas tourists go to find the historic City, where will the companies who own Watling Street Properties go to find carpenters and electricians when they have been forced out from their premises in Bow Lane?
The unworthy comments of Mr. Green are typical of the way in which Watling Street Properties has conducted itself in this matter. Within 12 months of denying it had any plans for redevelopment, it applied for permission to redevelop. The only communication most tenants have received is notice to quit, served some weeks after tenants learned of the proposals by reading Corporation of London notices taped to their buildings.
By giving notice even before the City's Planning and Communications Committee Watling Street Properties is either counting its chickens or intends using the old trick of letting property lie derelict to force the hands of the Corporation. This action is so much at variance with the public image of the insurance companies that it must be assumed they are not aware of what is going on. An industry which relies so heavily on mutual trust, and a reputation for fair-dealing, would surely not knowingly allow itself to act in such a way.
As an act of good faith to its tenants, the Corporation of London's Planning and Communications Committee, and the public Watling Street Properties should rescind its notices to quit at least until the result of its redevelopment application is known.
J. E. Socker,
For The Save Bow Lane
10, Well Court, Queen Street,
E.C.4.

Premium bonds

From Mr. P. Meacham.
Sir—My experience with premium bonds has made me wonder whether all one's bonds take part in all prize draws, and whether the numbered bond chosen receives its prize.
My wife and I, feeling that chance was giving us a raw deal, wrote asking what bonds were registered in our names. Some weeks later my wife received a reply with all her bonds rightly listed and a note stating that a separate (sic) list had been sent to me.
About a week afterwards I received a note crediting me with 25 bonds! By return I requested a check of the Bond Office's records, as their note was over 1,200 out. About a fortnight afterwards I received a correct list, apologetically that my bonds had not been traced earlier and assuring me that all my bonds had taken part in the prize draws since becoming eligible.
What I should like to know is, how long had they been ineligible, and what happens when Ernie selects a number and the bond bearing the number cannot be traced?
P. A. Meacham,
15, Homegate, Luton, Beds.

GENERAL

Mr. Helmut Schmidt, West German Chancellor, gives Alastair Buchan Memorial Lecture, London.
EEC Council of Social Affairs meets, Luxembourg.
Institute of Personnel Management's two-day national conference ends, Harrogate. Speakers include Mr. Joel Barnett, Chief Secretary, Treasury, Mr. Jim Mortimer, chairman, Advisory, Conciliation and Arbitration Service, and Mr. Arthur Scargill, president, Yorkshire area, National Union of Mineworkers.
Mr. Eric Varley, Industry Secretary, speaks at Manchester Chamber of Commerce lunch, Midland Hotel.
Mr. John Silkin, Agriculture

To-day's Events

Minister, speaks at Cake and Biscuit Alliance lunch, Savoy Hotel, W.C.2.
Mr. Merlyn Rees, Home Secretary, opens new Videotex information system, New Scotland Yard, S.W.1.
Mr. Peter Shore, Environment Secretary, meets Joint Consultative Council on Local Government Finance.
Mr. Len Murray, TUC general secretary, leads discussion at University of Salford Teaching Company on "Management and Trade Unions—Unions as Managers".
CBI Economic Situation Committee meets.
First meeting of new Advisory Council for Adult and Continuing Education, Department of Education and Science, S.E.1.
Closing speeches, continue at Windscale public inquiry, Whitehaven.
Annual tendering of Quit Rents by City of London Corporation at Royal Courts of Justice, Strand, W.C.2.
City of London Police security exhibition ends, Old Library, Guildhall, E.C.3, 3.30 p.m.
COMPANY MEETINGS
Cavenham, Connaught Rooms, W.C.2, 11. Daves (G. E.), Birmingham, 12. Guinness Peat, Winchester House, E.C., 10.30. Parker

Timber, Erith, Kent, 12. Second City Properties, Birmingham, 11. Tor Investment Trust, Swansea, 10.15. Wood Bastow, Nottingham, 12.30.
OPERA
English National Opera production of La Boheme, Coliseum Theatre, W.C.2, 7.30 p.m.
BALLET
Royal Ballet dance The Sleeping Beauty, Covent Garden, W.C.2, 7.30 p.m.
LUNCHEON MUSIC
Chamber Concert at Guildhall School of Music and Drama, Barbican, E.C.2, 1.10 p.m.
SPORT
Skiing: English Schools championships, Coventry. Tennis: Slazenger tournament, Bourne-mouth (9 a.m.).

Taxed into shabbiness

From the Chairman, *William Cook and Sons* (Sheffield).
Sir—How out of touch with present day U.K. taxation can Mr. Fred Lisrodt (October 25), the new president of the Federation of Merchant Tailors be? Most older British businessmen do not dress shabbily because either they want to or they can't be bothered, but because they are forced to by the penal taxation rates in our country.
They cannot face up to present day prices for made-to-measure suits—what a bogus word "bespoke" is—for the following reasons:— (a) assuming their earned income is £20,000 a year, they are left after tax with approximately £9,500, about the equivalent buying power of only £200 in 1939. (b) if they have any so-called un-earned income as well, this is taken from them—legally of course—by the Inland Revenue at the rate of 98 per cent, tax leaving them 2p in the pound, worth just over half a farthing in terms of buying power in 1939.
I suggest that the best service the new president of the Federation of Merchant Tailors can give his fellow countrymen is to put up a tent outside Number 11 Downing Street and camp it until at least the older British businessman is granted the same tax privileges as those who get allowances for clothing.
A. McT. Cook,
Parkway Avenue, Sheffield.

Get the facts from Cat.

If you change to Caterpillar you can get more production, less downtime and greater value from your lift trucks.
For instance: 16 Caterpillar M-Series electric lift trucks averaged no less than 97.2% availability during 31,699 service hours. That's a fact.
Before you bought Caterpillar, you'd want more proof, of course. But just consider the broad facts that back our specific claims.
Experience: Caterpillar's own 50 years reputation in machinery building combined with its acquisition of lift truck pioneer, Tomtomotor, puts a wealth of rugged knowledge behind the current range.
Quality: From pioneering towing trucks in 1919, and introducing one of the first conventional lift trucks in 1933, Caterpillar now manufactures in 11 countries in 19 plants that includes an all new lift truck facility where one out of every 7 men on the production line is devoted solely to quality control.
Engineering: Through heavy investment in research, development and engineering, the company now employs over 4,000 scientists and technicians in research alone to produce trucks that work better, handle easier, last longer.



Product Support: With 23 major parts depots, and 900 service outlets all computer-linked in 120 countries, Caterpillar's local dealer network can keep lift trucks working at peak performance throughout the world.
Range: To cover almost every conceivable materials handling task, Caterpillar offers 46 different models from 2,000 to 60,000 lb (1,000 to 27,300 kg) with a choice of cushion or pneumatic tyres and diesel, petrol, electric or LP Gas power.
If your trucks don't have the same pedigree, they're probably costing you productivity—and money.
Put it right by calling your Cat Dealer now.
H. Leverton & Co. Limited.
Tel: Windsor 65121
Bowmaker (Plant) Limited.
Tel: Cannock 2551
Caledonian Lift Trucks.
Tel: Airdrie 51111
McCormick Macnaughton (N.J.) Ltd.
Tel: Belfast 59251
McCormick Macnaughton Ltd.
Tel: Dublin 514222



Handwritten signature: *John Bilson*

COMPANY NEWS + COMMENT

Wm. Press tops £4m. halfway—sales soar

FOR THE first half of 1977 industrial, civil and mechanical engineering contractors William Press and Son expanded earnings by £818,000 to £4,023,000 subject to tax of £1,060,000, against £1,735,000, including £19m. this time by James Scott Engineering Group, acquired at the end of 1976, turnover soared from £62m. to £92m.

So far in the second half group trading is being maintained at a satisfactory level say the directors.

The net interim dividend is lifted to 0.4p (0.375p equivalent after scrip issue) per share and the directors intend to pay a maximum permitted final 0.75p year an effective total of 0.75p was paid from record profit of £859m.

comment

Nearly two-thirds of the present turnover improvement at William Press is accounted for by a first-time contribution from James Scott Engineering. So the rate of turnover growth at Press may be slowing down and the market is taking a cautious view of full-year profits, with only a repeat of last year's £859m. expected. Although three-fifths of profits continue to be accounted for by contracting activities, where 40 per cent. of the work done is for energy-related industries (and here Press enjoys a dominant position in the market), the future growth is likely to be achieved through acquisition. But with net cash in the last balance sheet of £12m, this should be no problem for the group. At 29p the share yield a forecast 4.3 per cent. and sell on a prospective p/e of 4.0.

| Company | Page | Col. | Company | Page | Col. |
|----------------------|------|------|---------------------|------|------|
| Abwood Machine | 24 | 4 | Henderson (P. C.) | 24 | 7 |
| Allied Irish Banks | 25 | 1 | Lawrence (Walter) | 24 | 7 |
| Ayrshire Metal | 25 | 2 | Lifeguard Assurance | 25 | 1 |
| Beckman (A.) | 24 | 2 | McKechnie Bros. | 24 | 3 |
| Boof (Henry) | 24 | 6 | Medminster | 26 | 4 |
| Border Breweries | 24 | 2 | Minet Holdings | 25 | 4 |
| Deundi Holdings | 24 | 5 | New Sythe | 25 | 5 |
| English and Intern'l | 24 | 5 | 1928 Inv. Trust | 24 | 4 |
| English Property | 24 | 5 | Olympia | 24 | 4 |
| Fidelity Radio | 25 | 2 | Press (Wm.) | 24 | 1 |
| Flight Refuelling | 26 | 5 | Rivlin Holdings | 24 | 1 |
| Foster Bros. | 26 | 4 | Samuel Props. | 25 | 1 |
| Gallaher | 24 | 2 | Sheepbridge Eng. | 24 | 4 |
| Glaxo | 24 | 7 | Simpson (S.) | 24 | 6 |
| Greenbank Industrial | 24 | 6 | Walker and Homer | 25 | 2 |
| Hellenic and General | 24 | 6 | Wire and Plastic | 25 | 3 |

Progress so far at Gallaher

DESPIITE PROFITS from domestic tobacco sales falling from £23.7m. to £21.2m. the tax-able surplus at Gallaher progressed from £31.7m. to £32.2m. for the first nine months of 1977, on higher group sales of £141.1m. compared with £121.9m. For all 1976, profits totalled £41.1m. All the equity is held by American Brands Inc.

| Group sales* | 1977 | 1976 |
|-------------------|-------|-------|
| Tobacco-Domestic | 120.4 | 117.7 |
| Tobacco-Overseas | 67.1 | 59.1 |
| Optical | 38.3 | 35.5 |
| Engineering | 23.2 | 21.5 |
| Distribution | 12.1 | 10.9 |
| Trading profit | 37.9 | 34.8 |
| Tobacco-Overseas | 21.2 | 22.7 |
| Engineering | 5.3 | 4.9 |
| Optical | 4.5 | 4.1 |
| Distribution | 3.4 | 3.1 |
| Interest | 4.7 | 4.7 |
| Profit before tax | 35.2 | 31.7 |
| Taxation | 16.5 | 13.9 |
| Net profit | 18.7 | 17.8 |
| Minority interest | 0.3 | 0.1 |
| Extraord. debit | 0.2 | 0.2 |
| Available | 18.1 | 17.7 |

*Excludes VAT. †Relates to sale of

Final half loss cuts Rivlin

A SECOND-HALF loss of £135,000 has left taxable profits at D. and S. Rivlin Holdings for the April 30 year at £96,292 compared with £316,914 in the previous 14-month period.

At half time, Rivlin reported a £201,000 profit and directors expected the second half to better the same period in 1976 when a £107,000 profit was recorded.

And directors do not expect an improvement in the first six months of the current year but anticipate a recovery in the closing six months.

Turnover for the year was £10,51m, compared with £10,52m. in the 14 months. In January, Mr. A. B. Rivlin, the then chairman, said pressure on margins, coupled with inflation of expenses, in particular bank interest, was restricting any improvement in results.

Final dividend has been omitted and the company is no longer to go ahead with the acquisition of a group of Yorkshire retailing companies, as announced in June.

Last year a 1.17p net final was paid (taking the total to 2.34p). The interim 1.17p remains as the only payment for the reported year.

| | 12 mths. 1977 | 14 mths. 1976 |
|-------------------|---------------|---------------|
| Sales | 10,510 | 10,516 |
| Profit before tax | 16,292 | 18,816 |
| Taxation | 2,999 | 4,732 |
| Net profit | 63,294 | 310,161 |
| Minorities | 6,542 | 1,168 |
| Extraord. debit | 28,223 | — |
| Leasings | 22,992 | 308,552 |

Border Breweries improves

PRE-TAX PROFITS for the half year to August 31, 1977, at Border Breweries (Westbank) improved from £231,000 to £295,000. For all the previous year, a surplus of £728,250 was achieved.

The directors are confident that the popularity of the company's products will ensure a continued improved level of demand and that this will result in a satisfactory increase in second half profits.

The interim dividend is lifted from 0.86p to 0.96p net—payments totalled 3.137p per 25p share for 1976-77.

Beckman remains optimistic

The priority of fabric converters and merchants, A. Beckman is to maintain and expand market share in its traditional product areas, says Mr. S. Beckman, the chairman, who tells members in his annual statement that the direc-

McKechnie beats forecast

IN LINE with the forecast of not less than £15.6m. made at the time of the rights issue in July, non-ferrous metal and chemical manufacturers McKechnie Brothers lifted taxable profit from £12.2m. to a record £15.7m. in the year ended July 31, 1977. Sales jumped £40.9m. to £150.6m. The period from January, 1977, to date has proved to be one of the most difficult in the recent history of the textile industry, states Mr. Beckman. World prices spiralled to a peak in January, which resulted in a severe reduction in U.K. demand at the retail level, because of the resistance to increased prices of garments.

Meeting, Westbury Hotel, W. November 23 at noon.

tors remain cautiously optimistic for the future.

As reported on September 29, record profits of £1.97m. (£1.68m.) were achieved for the year ended June 30, 1977, on higher sales of £17.33m. (£15.34m.). A one-for-two scrip issue is proposed.

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overall it will be the U.K. and South Africa that makes the running in 1977-78. In addition there will be perhaps another £1m. extra from acquisitions made since the year end and the absence of the Aldridge strike which probably cost the group about £300,000. So overall pre-tax profits should reach over £17m. this year while the slump in the copper price is easing pressures on working capital. Borrowings are holding firm around 25 per cent. of shareholders' funds. At 86p where the p/e is 41 and the yield is 9 per cent. the shares are in for an upward re-rating.

Sheepbridge Eng. better half year

A RISE in taxable profit from £2,037,000 to £2,304,000 reported by Sheepbridge Engineering for the half year to September 30, 1977. Turnover improved by £250m. to £2,415m.

Most of the directors were confident of maintaining the company's advance in the current year over the record £3.25m. attained for the whole of 1976. Now they state that order books throughout the group are at a good level and the order intake is buoyant. If the economic climate remains reasonably stable and industrial relations pose no problems the year should be good.

The net interim dividend is 2p (2.125p) per 25p share on capital increased by Rights issue. An additional dividend of 0.025p for last year in respect of the tax change has already been announced for the whole of 1976. The tax rate for the period was 2.1756p. In the context of the Rights issue the Treasury has given consent to a total payment for 1977-78 of 4.25p.

For the half year of £1,197,000 (£1,059,000) net profit emerged at £1,105,000 (£978,000) and the attributable total came out at £1,075,000 (£953,000).

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DIVIDENDS ANNOUNCED

| Company | Current payment | Date of payment | Corresponding div. year | Total for year | Total last year |
|----------------------------|-----------------|-----------------|-------------------------|----------------|-----------------|
| Allied Irish Banks | 1.51 | Dec. 16 | 1.56 | 6.0 | 3.14 |
| Ayrshire Metal | 1.335 | Jan. 6 | 0.56 | 3.14 | 3.14 |
| Border Breweries | 0.96 | Jan. 1 | 1.05 | 1.05 | 2.5 |
| English and Inter. | 1.05 | Jan. 6 | 1.25 | 1.25 | 4.84 |
| English Property | 1.25 | Jan. 12 | 1.16 | 1.16 | 2.55 |
| Fidelity Radio | 1.1(b) | Jan. 7 | 0.23 | 0.23 | 2.25 |
| Flight Refuelling | 1.047 | Jan. 4 | 0.96 | 0.96 | 1.5 |
| Foster Bros. | 1.1(b) | Dec. 5 | 0.75 | 0.75 | 8.22 |
| Greenbank Industrial | 0.855 | Nov. 29 | 1.4 | 1.4 | 7.55 |
| P. C. Henderson | 1.54 | Nov. 11 | 2.5 | 2.5 | 6.5 |
| Henry Boot | 2.3 | Nov. 11 | 2.5 | 2.5 | 2.59 |
| 1928 Investment Trst. Int. | 2.75 | Dec. 30 | 1.13 | 1.13 | 4.95 |
| Walter Lawrence | 4.25 | Nov. 18 | 1.55 | 1.55 | 2.58 |
| London Brick Co. | 1.27 | Nov. 18 | 1.55 | 1.55 | 0.75 |
| McKechnie Bros. | 3.45 | Dec. 7 | 0.75 | 0.75 | 1.17 |
| Minet | 2.00 | Nov. 18 | 1.55 | 1.55 | 0.1 |
| New Sythe | 6.6 | Jan. 3 | 2.1 | 2.1 | 3.45 |
| Sheepbridge Eng. | 1.27 | Jan. 3 | 1.54 | 1.54 | 3.81 |
| S. Simpson | 2.5 | Jan. 3 | 1.49 | 1.49 | 0.9 |
| Transvaal Cons. Land. | 65(a) | Jan. 3 | 0.2 | 0.2 | 1.3 |
| United Carriers | 0.45 | Jan. 6 | 0.82 | 0.82 | 1.3 |
| Walker and Homer | 0.45 | Dec. 30 | 0.58 | 0.58 | 1.53 |
| Wire and Plastic | 0.8 | Jan. 3 | 0.7 | 0.7 | — |

EPC more than doubled

English Property Corporation reports more than doubled pre-tax revenue at £1.6m. for the six months to the end of April. But the pre-tax figures exclude an amount of £1.2m. for EPC's development properties.

The interest element on development properties is £2.3m. higher than in the first half of 1976, an increase EPC explains in terms of high U.K. interest rates and the expansion of the group's North American development programme.

EPC expects a reduction in interest charges in the second half as lower rates have their effect on variable coupon debt and as the group's European development programme comes to an end and let up. The group reports that around half of its 535,000 square foot office developments in Brussels, due for completion by the end of the year, have now been let bringing the current rental occupancy rate to around 70 per cent.

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average of TK 10.40, compared with 1,004,100 lbs at TK 6.80 a year ago.

There had been no sales in London for the current season but the first 1977 season tests were due to appear in auction next week.

Greenbank tops £1m. midterm

ENGINEERING AND property development group Greenbank Industrial Holdings almost doubled taxable profit from £594,597 to £1,181,265 in the June 30 1977 half year after taking in a £483,227 (£85,000) exchange gain.

The interim dividend is increased from an adjusted 0.75 to 0.825p net and an additional amount will be paid for 1976. Last year's total was an equivalent 1.5p.

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Allied Irish up £7 1/2 m. midway—£17 m. rights

A SHARP JUMP in first-half 1977 profits and plans to raise £2.5m. by way of a rights issue...

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange...

FUTURE DATES

Interim: All-Boone, Avaya, Claxson...

Minet up 24% at half time

COMPARED WITH a restated 1976 profit of £5.91m. profits before tax of Minet Holdings...

Henderson slips in first half

SLIDING DOOR gear makers P. C. Henderson Group reports a fall from £330,000 to £432,000 in pre-tax profit...

Before you mix it, Smurfit print and package it.



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80 operating units employing 9,000 people.

Fidelity Radio dips at halfway

WITH TURNOVER 5 per cent. lower at £7.14m. taxable profit of Fidelity Radio slipped from £312,000 to £490,000 in the six months ended September 30...

Samuel Properties upturn

A TURNROUND from a loss of £148,823 to a pre-tax profit of £21,756 is reported by Samuel Properties for the year ended June 30, 1977...

Ayrshire Metal sees some £0.82m.

With taxable profits up from £269,000 to £408,000 for the 24 weeks to June 17, 1977 the directors of Ayrshire Metal Products foresee the second half year...

Wire & Plastic up at halftime

In line with the June forecast for higher profits for the full year, Wire and Plastic Products reports an increase from £103,417 to £182,534 in the pre-tax balance for the first six months ended June 30, 1977...

Profit slide for Walker & Homer

Although turnover rose from £5.78m. to £6.55m. taxable profit from £215,000 to £200,000 in the first half year Walker & Homer fell from £1,000 to £1,000...

Lifeguard cuts expenses

The reorganisation of Lifeguard Assurance has now virtually been completed. This is the theme of the statement for the year to June 30, 1977...

number of policyholders had dropped to 85,000 from 93,000 at the end of the year. The actuarial valuation of the life funds at the end of the year revealed a surplus of £364,000 in the main fund...

MONEY MARKET Extremely large help

Bank of England Minimum Lending Rate 3 per cent. (since October 14, 1977) Day-to-day credit remained in short supply in the London money market yesterday...

Table with 12 columns: Date, Overhead, Interest, Local Authority, Local Authority, Finance House, Company Deposits, Discount, Treasury Bills, Mortgage, Other Bills, Finance House, and other financial metrics.

Quite a lot, in fact. Earlier this year we won a 2 1/2-year contract worth £25 millions for on-site process plant construction at Kenana, in the Sudan...

Sugar is adding even more to Capper-Neill's international weight.

equipment for an ever widening range of industries, emphasises the broadening of our range of capabilities in worldwide markets. The world wants what Capper-Neill makes.



Capper-Neill. Storage, pipework, materials handling and process plant for world industry.

BIDS AND DEALS

Bath & Fairclough fail to agree terms

Senior talks between Bath and Fairclough... announced on October 27... statement issued by Samuel...

The statement comes in the offer documents issued yesterday... Charterhouse Japhet, which is...

comment The Bath and Portland... Bath and Portland's cash... would have been solved...

DOVER SPELLS OUT ACCEPTANCE The present size of Dover... limits its ability to...

Vavasseur to reorganise and acquire Mills and Allen

The Vavasseur Group, the... concern which was hard... secondary banking...

Hastings and Thanet Building Society

Table with interest rates for Share Accounts, Savings Share Units, Deposit Accounts, etc.

The rates of interest on all other investment accounts... reduced by 0.75% p.a.

Hastings and Thanet Building Society. Assets exceed £500,000,000.

Borough of Blackburn BANKING ARRANGEMENTS

The Council invites quotations from banking firms interested in becoming the Council's Bankers...

Derritron out on probe news

Referral to the Monopolies Commission has put an end to the Derritron bid for British Electronic Controls...

On October 20 Derritron had said it was seriously considering increasing its cash alternative offer...

Derritron had always argued that the real reason for this equipment is international and that merging with BEC would increase the chances of winning overseas orders...

BUILD-UP IN NOYAPARA Yet another tea plantation company is seeing movements amongst its share stakes...

CONTROL SECS. Ashbourne Investments has sold nearly half its stake in Control Securities where the Swiss investment group, Labfund, is to gain control...

Anzani cuts borrowings by sale

By John Brennan, Property Correspondent British Steel's pension fund has bought a third of British Anzani's 82-acre industrial estate at Aylesford, Kent, for £2m, cash.

The fund will take over Anzani's 900,000 square feet of factories and workshops on the estate, industrial properties currently producing an annual rent of £20,000...

This sale, and another property disposal in the pipeline that is expected to raise around another £2m, makes a substantial dent in Anzani's borrowings...

Allied drops Peachey bid

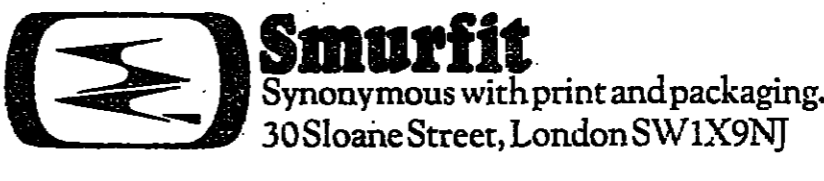
Allied London Properties yesterday abandoned its 55p a share takeover bid for Peachey Property Corporation. Allied's offer has been well below the market price of Peachey's shares for several weeks...

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Whatever shape, form, material or colour your print or packaging requirement takes, contact Smurfit first.



The global strength of Glaxo

Glaxo Group results table comparing 1977 and 1976 for sales, profit, and earnings.

Now see what's behind it-

Once again Glaxo has reported record results. In the year to 30th June, 1977 Group external sales rose by £77 million to £488 million.

cephalosporin antibiotic which we expect to market early next year, and you have some measure of Glaxo's capacity for innovation.

From any angle, Glaxo's record of achievement is impressive. But what lies ahead? This is what Austin E. Bide, Glaxo's Chairman and Chief Executive, has to say about the Group's future...

The figures tell their own story and demonstrate the global strength of Glaxo.

But Glaxo's strength can be measured in other ways too - in the success of its internationally acknowledged pharmaceutical, food and surgical products...

If you would like a copy of the latest Annual Report of Glaxo Holdings Ltd. and the Chairman's Statement to Stockholders, just send the coupon.

BANK RETURN table showing liabilities and assets for the week ending 24th October 1977.

In the past ten years alone Glaxo has developed no less than twelve important new products and the search for new ideas goes on. Currently we're investing £20 million a year world-wide on Research and Development.

But ideas alone are not enough. Glaxo is strong in manufacture, in marketing and in distribution. In the U.K. and in 41 countries overseas over 30,000 Glaxo people are engaged in providing the products needed everywhere in the fight for better health.

Glaxo No.1 in British Pharmaceuticals

Form for requesting a copy of the Annual Report, including name and address fields.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

OECD spotlight on capital markets

BY MARY CAMPBELL AND FRANCIS GHILLES

THE LATEST ISSUE of the new quarterly Financial Market Trends... published by the Organisation for Economic Co-operation and Development...

Issuing activity in Swiss Francs is also lower than last year... On medium term bank loans, the OECD notes that the volume of new loans completed in the third quarter exceeded \$8.2bn...

AMERICAN NEWS Overseas profits lift Ford Motor

BY JOHN WYLES

BOOMING OVERSEAS profits have carried Ford Motor Company to record third quarter net profits of \$366.5m. Some \$199m of the \$225.4 share net profit came from overseas operations...

The cutbacks are being implemented by the Electric Boat Company's new general manager, Mr. Takis Valiotes...

Advance at Lockheed

IN THE THIRD quarter of last year, Lockheed Corporation reported earnings of \$21.6m, compared with \$9.1m for the period last year...

Gen. Dynamics lay-offs row

By Our Own Correspondent NEW YORK, Oct. 27. GENERAL DYNAMICS Corporation has run into sharp political criticism for its handling of staff reductions at its subsidiary Electric Boat Company...

Start-up costs will cut profits at SEL

LAUNCH COSTS for newly-developed products have hit profit performance at Standard Elektrik Lorenz (SEL) this year. As a result, earnings will not reach last year's net of DM173m...

Major Wall Street merger

BY STEWART FLEMING NEW YORK, Oct. 27. Earlier this month, plans for the largest merger in Wall Street history were announced when two of the best-known houses, Dean Witter and Reynolds Securities, said they were intending to merge...

EUROBONDS Firmer tone in dollar sector

BY MARY CAMPBELL THE DOLLAR sector was New York where the quarter point rise in the official discount rate yesterday by a further 1/4 per cent...

OTTO VERSAND sees growth

OTTO VERSAND, Europe's second largest mail order group, this year expects sales to exceed DM300m (£746.3m), providing Christmas trades live up to expectations...

Daimler-Benz share offer

DAIMLER-BENZ WORKERS, for the second time this year, are being offered the chance to purchase a stake in the group at a very low price...

SANDVIK U.S. \$35,000,000 Sandvik Aktiebolag (Incorporated in Sweden with limited liability under the Companies Ordinance, 1848). 6 1/2% Convertible Bonds due 15th March, 1988.

Table with columns: Selected Eurodollar Bond Prices, Mid-Day Indications, DM Bonds, Floating Rate Notes, Convertibles. Includes various bond types and their prices.

COMISION DE VALORES CORPORACION FINANCIERA NACIONAL US \$15,000,000 SEVEN YEAR LOAN Arranged and Provided by EURO-LATINAMERICAN BANK LIMITED, DEUTSCH-SUDAMERIKANISCHE BANK AG, SAMUEL MONTAGU & CO. LIMITED.

Table with columns: Year to 31st March 1977, Half-Year to 30th September 1976, Half-Year to 30th September 1977. Includes financial data for Philip Hill Investment Trust Limited.

PHILIP HILL INVESTMENT TRUST LIMITED Interim Statement. The Directors have declared an interim dividend of 9.3p per share on the Ordinary Capital in respect of the year ended 31st March 1978...

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Beating the trend

BY WILLIAM DULLFORCE IN STOCKHOLM



Mr. Hamish Melville (left), director of Hambros Bank, Mr. Sven Halvarsson (centre), finance director of Sandvik AB, and Mr. David Potter, managing director of Credit Suisse, signing the bond issue in London yesterday.

OVER THE LAST few months the small township of Sandvick in Central Sweden, where G. F. Sandvick first adapted the Bessemer process to the production of steel on an industrial scale, has become something of a magnet for Swedish business and financial journalists. They are drawn not by the well-known story of the company's founder but by the desire to find out how Sandvick has managed to defy recession which has hit Swedish industrial profits. In particular, put all the major steel companies into the...

each day with a blade made from Sandvick Steel. Some 40 per cent of the flapper valves used in compressors come from Sandvick and about a quarter of the world's piston-ring steel. The company also specialises in seamless tubes with a high corrosion resistance for the chemical and nuclear power industries. Steel production will not be expanded but the group management calculates that steel will continue to contribute profits once normal business conditions return. The steel division is the only important supplier for the ordinary A shares. A division, which currently contributes about 17 per cent of group turnover and is the major area for expansion after the carbides. In addition to the right products, other factors bearing on Sandvick's current success are its heavy capital expenditure, the emphasis on research and development, its large marketing organisation and a highly sophisticated apparatus for cost control. These are the effects both of good management and, it might be claimed, of a shortcoming: unlike the other major Swedish steel manufacturers Sandvick never had a raw material base apart from one small mine now used only for experiments. To compensate it was forced to concentrate on processing and product development and had to be alert to customer needs. It has been practising for many years the search for innovations which has recently become a major motif in discussions about Swedish industry's ability to meet the challenge from lower-cost countries. Sandvick's annual expenditure on research and development averages 4 per cent of turnover and involves 930 of its 29,000 employees. This expenditure is written off as it is incurred and is additional to the capital expenditure which has been averaging 9-10 per cent of sales annually. Research and development in Sandvick is not just a laboratory matter. It is closely linked with the marketing and service apparatus built up over the last two decades, which provides an immediate customer feedback, particularly in the carbides field. Sandvick has roughly Kr.1bn.

Decline at Hitachi in first half

By Douglas Ramsey

TOKYO, Oct. 27. HITACHI TO-DAY announced a decline in earnings for the first half of its fiscal year, despite a 5 per cent rise in sales on the previous half, but the company pointed to a high level of orders as evidence that earnings will improve in the October-March half. Unconsolidated net income for the six months to September 30 was reported at \$59.4m., marginally lower than the year-ago level of \$60.2m. (both figures at Y253 to the U.S. dollar). The 1 per cent decline in net income, however, is based on yen earnings—in dollar terms, Hitachi's profits would have been considerably higher in this last term due to an approximate 15 per cent appreciation of the yen against the dollar in the last year. Sales rose to \$2.3bn., well ahead of the \$2.05bn. recorded in the second half of fiscal 1976 and fully 14 per cent up on the year-ago level of \$2.05bn. Orders received increased by 13 per cent against the previous comparable period, rising from \$2.7bn. to \$3bn. Strikingly, exports by Hitachi declined against the year-ago levels, from \$722m. to \$676m. By way of further comparison, to a significant fall in the level of raw materials (down 11 per cent) and finished goods (down 41 per cent) in stock.

AGC surges to peak earnings

BY JAMES FORTH SYDNEY, Oct. 27.

AUSTRALIAN GUARANTEE Ford only came up with this re- Corporation, Australia's largest finance company and a partly-owned subsidiary of the Bank of New South Wales, boosted earnings: 32.5 per cent from SA26.2m. to a record SA37.4m. The result augurs well for the Bank of NSW, which is expected soon to report peak earnings of close to SA55m., of which AGC would account for about SA15m. AGC has held its dividend at 7.5 cents, payable on shares created during the year by two cash issues on a one-for-two basis, but not on shares created by a two-for-five cash issue made in September this year. The effective lift in total payout is 21.3 per cent. The issues were made to boost the group's gearing to enable it to expand. Gross receivables rose 24 per cent to SA2.3bn., although the director's report was in leading and subdued level of demand in the second half which held the growth rate to a slower rate than the previous year. The strongest growth area was in leasing, and there was also a significant increase in dealer wholesaling, hire purchase and personal loan receivables. Property development loans were static due to uncertainty, and amounted to 13 per cent of total gross receivables, compared with 16 per cent a year earlier. The property loans on which no interest was brought to account in 1974, and it has enabled AGC to record strong growth in recent years. The profit also benefited from a lift in the earnings of the insurance activities from SA4.7m. to SA7.6m. Group bad debts written off rose by SA13.2m. to SA13.2m. were made in full against profits, without drawing on the provision for doubtful debts which was increased by SA5.1m. to SA19.4m. The adverse effect on income of property loans on which interest is not being received was SA5.9m. compared with SA4.1m. in 1975-76. In line with its increased receivables, the group's interest bill rose almost 30 per cent to SA146.8m. Hitachi's assets at September 30 showed a 1 per cent decline from the previous year, with most of the decrease ascribed to a significant fall in the level of raw materials (down 11 per cent) and finished goods (down 41 per cent) in stock.

Poclain first half loss

PARIS, Oct. 27.

POCLAIN S.A., a major European builder of mechanical excavators and a unit of the Tenneco group of the U.S., reports a first half loss of Frs.146m. against a previous net profit of Frs.27.3m. Group loss was Frs.186m., reports AP-DJ. The poor results were partly due to the depressed economic situation which had caused a 5 per cent decline in Poclain's sales during the first half. Poclain said the results for the second half of 1977 should show a marked improvement as its restructuring efforts begin to take effect. THE CONTROVERSY surrounding the future of Rousset SA, a French producer of Gelatins, animal proteins and chemicals, took another twist on Thursday with the announcement by the president of Societe Francaise des Petroles BP, that his company's bid for control of Rousset was still on, reports AP-DJ. Jean Chenevier, who heads British Petroleum's French refining unit, told newsmen that as far as Petrol BP is concerned they had made their bid and they are legally bound to maintain it. The chances of Petrol BP succeeding with its bid for the acquisition of 66.7 per cent of Rousset's capital appeared to have faded following an identical counter-bid by Atochimie, a joint unit of the State-controlled oil group Elf-Aquitaine and Cie Francaise des Petroles (CFP). The French Government is understood to want to keep Rousset French. Chenevier stated, however, that a French Government veto on the bid "would be contrary to European Community (EEC) agreements" on the free movement of capital. St. Gobain surge ahead by 54% SAINT-GOBAIN / Pont-a-Mousson net consolidated earnings were Frs.424m. for the first half of 1977, an increase of 54 per cent. Cash flow totalled Frs.1,223m., against Frs.746m. in the first half of last year. Industrial investment during the period under review stood at Frs.918m., up by 37 per cent on a comparable structural basis.

Advertisement for HAMBROS BANK LIMITED, featuring financial data for various companies like Borden, Warner-Lambert Co., and Phillips Petroleum, and contact information for a representative office in Canada.

Large advertisement for National Electricity Board of the States of Malaya - 8th Power Project, offering a US\$30,000,000 Medium Term Loan guaranteed by The Government of Malaysia, managed by various banks.

WALL STREET OVERSEAS MARKETS + FOREIGN EXCHANGES

After speech trims further rally

Dollar rallies

BY OUR WALL STREET CORRESPONDENT

YESTERDAY'S SHARP rally... broadly-based rally on Wall Street... taken a stage further to-day...

PARIS—Stock prices moved forward with a rise of DM1.80... BMW gained DM1.50...

looking slightly lower for choice at the close, with early gains being more than offset by late liquidations...

The U.S. dollar recovered some of its early losses in the foreign exchange market yesterday afternoon...

GOLD MARKET

Table with columns: Gold Bullion, Gold Coins, Gold Bars, etc. and prices.

FOREIGN EXCHANGES

Table with columns: Currency, Rate, etc. for various countries.

THURSDAY'S ACTIVE STOCKS

Table listing active stocks and their price changes.

OTHER MARKETS

Canada irregular... Canadian stock markets ended on an irregular note after an active business.

EXCHANGE CROSS-RATES

Table showing exchange rates for various currencies.

CURRENCY RATES

Table showing currency rates for various countries.

Indices

Table showing various stock indices and their values.

MONTEAL

Table showing Montreal stock market data.

JOHANNESBURG

Table showing Johannesburg stock market data.

EURO-CURRENCY INTEREST RATES

Table showing Euro-currency interest rates.

FORWARD RATES

Table showing forward rates for various currencies.

OVERSEAS SHARE INFORMATION

Large table listing overseas share information for various countries including New York, Canada, Germany, Tokyo, Australia, Brazil, Oslo, Johannesburg, Paris, Switzerland, Amsterdam, Copenhagen, Vienna, and Milan.

NORTH-SEA GAS REVIEW

BY RAY DAFTER

A tangle of gas pipelines

NEW scheme for a gas pipeline network now being planned from a joint state and industry study team is creating not only for the opportunities it offers, but also for the many questions and apparent contradictions it raises.

GAS FROM THE NORTH SEA

Fields with gas for collection

Table with columns: BLOCK, FIELD, OPERATOR, BLOCK, FIELD, OPERATOR, BLOCK, FIELD, OPERATOR. Lists various gas fields and their operators.

ESTIMATED AMOUNTS AVAILABLE

Table with columns: Year, Total quantity (m. cu. ft. a day). Shows gas availability estimates from 1980 to 1999.

power); or all the companies very little associated gas; in others there is a high proportion of condensate, a type of light hydrocarbon, such as liquefied petroleum gas, which condenses between the gas extraction and arrival onshore.



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CSR Limited is Australia's second largest Australian-owned listed company. With sales of \$1.765 billion (\$US1.971 billion), CSR is a diversified industrial group involved in sugar milling, refining and services to the sugar industry; building and construction materials manufacture; minerals, and industrial chemicals.

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REGISTRATION/ORDER FORM

Registration and order form section for Financial Techniques Limited, including contact information and signature space.

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Registration and order form section for the Three-Day Residential Course, including details for Financial Know-How for Company Directors.

Registration and order form section for Publications, including details for Business Tax Quarterly and other services.

Peace and quiet and cult of personality in Togo

By a Special Correspondent

PRESIDENT Gnassingbe Eyadema of Togo has taken a strong grip on power and turned his small West African State into a relative haven of peace and tranquillity during the ten years since he seized power. The bitter political infighting and regional rivalry that marked the country's early years of independence from France have largely quietened down.

There has been a strong drive for national unity, fostered by a deliberate personality cult built up around the President and by his formation in 1969 of a single political rallying point, the Togolese People's Rally (RPT), the sole political party.

Gen. Eyadema's is a ubiquitous presence in Togo, a State wedged between troubled Ghana, to the west, and turbulent Benin, to the east. His face peers from billboards, his name is incessantly repeated on the State radio as he exhorts the peasants to greater efforts, or is effusively thanked for his service to the nation.

Massed troupes of political singers and dancers, in outfits emblazoned with his portrait, are present in every village and at international functions, chanting his praises.

The visitor in Togo may be struck by both an abundance of goods in Lomé, the capital, and by the friendliness and general education of the Togolese, of whom 85 per cent have had some form of schooling, according to 1973 figures.

Phosphates have given Togo a substantial base for economic expansion, but agriculture is not healthy. There may appear an atmosphere of political liberalism in the capital, but it tends to mask some real provincial problems. Repressive measures are apparently still applied, however gently.

Gen. Eyadema assumed power

in 1967, having engineered coups which unseated his two predecessors. The worst problem he inherited was the rivalry between the main ethnic groups in the North and South, which had been aggravated by a marked preference of the former colonial rulers for the South. Gen. Eyadema largely defused this by ensuring equal participation of both regions in national life and by favouring the North with investments. His creation of the RPT has undoubtedly contributed significantly to the unification of the two regions.

From a position of weakness, Gen. Eyadema has increased his power considerably. His favourite tactic, employed for the fourth time last November, is a threat to resign, invariably followed by well-rehearsed mass demonstrations demanding his reconsideration.

An active and moderate member of the Organisation of African Unity, Togo is a vigorous advocate of international co-operation, notably in the economic sphere. With a small population of only 2.1m, and this a small domestic market, it was at the forefront of efforts to create in 1975 the 16-State Economic Community of West African States (ECOWAS), which intends to eliminate quotas and tariff barriers between members.

Dominant tribe
Togo's old border disputes with Ghana appear to be receding. The issue originates from the division of Togo, previously a German colony, into French and British administrative spheres after World War One. This carried the Ewe, the dominant tribe in the south of French Togo, into two sections, and



ance to Togo. One of Gen. Eyadema's most effective moves — at least politically — was his nationalisation of Africa's third largest phosphates producer, the Compagnie togolaise des mines du Bénin (CTMB), in 1974. Increasingly dissatisfied with the level of revenues from taxes on the industry and from the minority state shareholding permitted under a pre-independence concession agreement, President Eyadema announced a 51 per cent Government participation in CTMB in January 1974.

Two weeks later, an aircraft flying him to the North crashed. Gen. Eyadema survived, accused CTMB of sabotage, and declared an immediate full nationalisation of the company. That year saw the first budget surplus since independence in 1960. The crash site has become the object of an annual national pilgrimage.

Staple food imports
Togo's agricultural sector is in a poor state. Over 80 per cent of the population live in the countryside but they are far from exploiting all the cultivable land, necessitating substantial staple food imports. General Eyadema has optimistically pledged self-sufficiency within five years.

The current development plan assumed that phosphate revenues would remain unchanged from the unusually high prices achieved in 1974 and will probably require revision in view of the lower phosphates prices now ruling.

But while phosphates and the political stability under President Eyadema are valuable economic assets, long-term progress will depend considerably on the Government's ability to boost agricultural output.

Republic National Bank of New York

Consolidated Statement of Condition

SEPTEMBER 30

| | 1977 | 1976 |
|---|-----------------|-----------------|
| ASSETS | | |
| Cash and due from banks | \$ 97,658,523 | \$ 65,915,166 |
| Interest bearing deposits with banks | 283,826,882 | 374,693,824 |
| Precious metals | 80,823,661 | 22,816,317 |
| Investment securities: | | |
| U.S. Government obligations | 155,505,102 | 90,384,867 |
| Obligations of U.S. Government agencies | 48,053,481 | 56,634,115 |
| Obligations of states and political subdivisions | 82,625,318 | 103,193,202 |
| Other | 186,508,765 | 69,040,056 |
| Total investment securities | 472,692,666 | 319,252,240 |
| Federal funds sold | 65,000,000 | 37,000,000 |
| Loans, net of unearned income | 1,130,406,104 | 794,598,565 |
| Less allowance for possible loan losses | (18,715,531) | (11,751,941) |
| | 1,111,690,573 | 782,846,624 |
| Customers' liability under acceptances | 86,260,770 | 86,944,431 |
| Bank premises and equipment | 15,924,684 | 13,699,671 |
| Accrued interest receivable | 40,208,784 | 38,580,980 |
| Other assets | 47,551,341 | 39,132,117 |
| Total assets | \$2,301,637,884 | \$1,780,862,401 |
| LIABILITIES | | |
| Deposits | \$1,868,889,900 | \$1,453,583,322 |
| Federal funds purchased and securities sold under agreement to repurchase | | |
| Other liabilities for borrowed money | 25,875,000 | 10,000,000 |
| Acceptances outstanding | 2,381,625 | 3,372,614 |
| Accrued interest payable | 87,348,477 | 87,423,031 |
| Other liabilities | 90,293,080 | 77,838,984 |
| 6 1/4% - 8% Notes | 20,396,422 | 13,308,304 |
| | 808,000 | 808,000 |
| STOCKHOLDERS' EQUITY | | |
| Common stock | 25,000,000 | 21,482,080 |
| Surplus | 78,146,591 | 45,050,511 |
| Surplus representing convertible notes obligation assumed by parent corporation | 12,490,000 | 12,604,000 |
| Undivided profits | 70,007,789 | 55,411,545 |
| Total stockholders' equity | 185,644,380 | 134,548,136 |
| Total liabilities and stockholders' equity | \$2,301,637,884 | \$1,780,862,401 |
| Letters of credit outstanding | \$ 115,758,917 | \$ 61,484,103 |

Fifth Avenue at 40th Street, New York, New York 10018
Member Federal Reserve System/Member Federal Deposit Insurance Corporation
New York • London • Nassau
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An affiliate of TRADE DEVELOPMENT BANK HOLDING S.A., Luxembourg
Capital Funds including money interest in affiliated companies U.S. \$ 207,433,000
Total Assets U.S. \$ 2,301,637,884
(As June 30, 1977)



Beirut, Bogota, Buenos Aires, Caracas, Chacao, Frankfurt/Main, Geneva, Luxembourg, Manila, Mexico City, Montevideo, Panama City, Paris, Quito, Rio de Janeiro, Sao Paulo

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All of these securities having been sold, this announcement appears as a matter of record only.

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(without par value)

Price \$25 Per Share

- | | |
|--|--|
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| The First Boston Corporation | Bache Halsey Stuart Shields |
| Drexel Burnham Lambert | Goldman, Sachs & Co. |
| E. F. Hutton & Company Inc. | Kidder, Peabody & Co. |
| Lehman Brothers | Loeb Rhoades & Co. Inc. |
| Reynolds Securities Inc. | M. A. Schapiro & Co., Inc. |
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| White, Weld & Co. | Dean Witter & Co. |
| New Court Securities Corporation | |
| Thomson McKinnon Securities Inc. | |
| ABD Securities Corporation | Basle Securities Corporation |
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FINANCIAL TIMES SURVEY

Friday October 28 1977

Austrian Industry

Austrian industry has enjoyed seven good years while Europe has been in recession. But as this survey by our Vienna correspondent PAUL LENDVAI shows, past policies of expansion have led to economic stress requiring austerity measures which could unbalance stable labour relations.

Clouds on the horizon

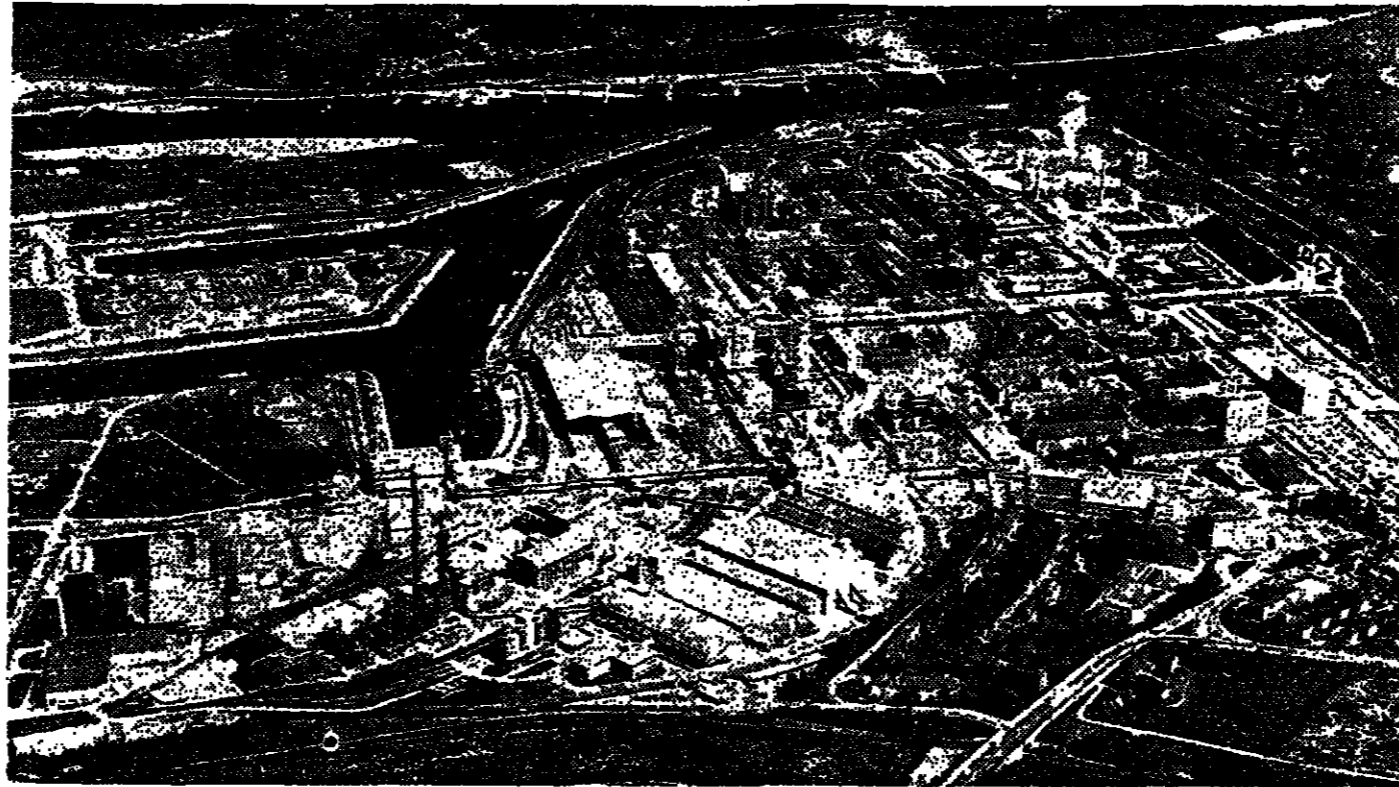
to have weathered the international economic recession better even than neighbouring West Germany and Switzerland. Chancellor Bruno Kreisky told parliament this month that Austria's economy between 1973 and 1977 was growing 5 per cent, faster than that of Germany and 17 per cent faster than in Switzerland. Employment was also rising by 5 per cent, while it contracted by 6 per cent in Germany and by 12 per cent in Switzerland.

The jump in net budget deficit (that is excluding debt redemption) from Sch.7bn. to Sch.34bn. between 1970 and 1977 was necessary to maintain full employment and to pump money into the economy. Similar arguments are used by Government spokesmen with regard to the massive external borrowing in 1974-76.

DURING THE past few months economic climate in Austria changed profoundly: it is generally agreed that the end of all-out growth, coupled with a rapid rise in the standard living is over. Faced with all-time peak in external and budget deficits, the Socialist Government has had to introduce a state of austerity measures to dampen consumption imports on the one hand and to increase budgetary cuts by some Sch.14.5bn. (about £500m.). After having got up with the more modest West European countries, Austria now has to find and guarantee its own resources. This was the key element in the speech of Vice Minister Dr. Hannes Jesch, when earlier this month he presented the federal budget for 1978 to the Austrian Parliament.

Opposition spokesmen and independent economists point out, however, that the Government's growth strategy had been based on the assumption that the recession in 1975 would be followed by a sustained opening of the international economy, primarily in West Germany.

Austria's single most important economic partner. These hopes have not been borne out by subsequent developments. Austria has now been hit both by lack of external demand and by the repercussions of the policy of all-out expansion in the form of a massive current account deficit and a growing drain on its foreign exchange reserves. As a result of public spending spree and



Aerial view of Chemiefabrik Linz AG.

a faster rise in unit labour costs than in Germany and Switzerland. Austria's competitive position abroad has deteriorated. As a result of the deficit-spending policy of the past, the net budget deficit this year will reach 4.2 per cent of GNP. Even if (as hoped by the Finance Minister), the deficit dropped to 2.9 per cent, next

year, it would still be well over the 1.5 per cent average recorded in the boom cycle of 1968-75. The visible trade deficit is also causing concern. In terms of GNP, it has risen from an average of 3.4 per cent in the 1950's and 1960's to over 7 per cent last year. Meanwhile, tourism is no longer able to offset it, and the deficit on current account this year will jump

to Sch.34bn. from last year's Sch.16bn. (after allowing for "leads and lags"). Meanwhile, the latest forecast of the respected Institute for Economic Research tends to confirm the opinion of the pessimists. After a growth of 4 per cent this year, the economy is up only by 1.5 per cent, as 1978 will only expand by 1.5 per cent. This means that as a re-

sult of the balance-of-payments oriented squeeze measures, economic growth will for the first time be more sluggish than the probable average growth of OECD countries. It is now expected that gross investment in real terms will be up only by 1.5 per cent, as 1978 will only expand by 1.5 per cent. This means that as a re-

prop of expansion, will also drop from 6.5 per cent to 2 per cent. This is of course partly because, in anticipation of the massive financial rescue operation in value added tax from January 1, 1978 from 18 to 20 per cent on cars and a wide range of consumer goods, there is a veritable explosion of consumer expenditure: this is likely to lead to a reduction in the ratio of savings from 13.5 per cent of disposable personal income last year to 11.7 per cent this year.

Crux

Thus the crux of the problem is that Chancellor Kreisky's Government has to introduce austerity measures at a time when it should be stepping on the accelerator rather than on the brake. How to combine the maintenance of full employment with a restrictive policy aimed at restoring an equilibrium in external payments? In the opinion of Dr. Hans Igler, President of the Federation of Austrian Industrialists, Austria should take Switzerland as an example and embark on a policy of massive retrenchment in social expenditure and above all should opt for a pause in real wages.

According to Dr. Igler, the competitiveness of Austrian industry (and, in the final analysis, even job security) depend on what would be basically a pay freeze, or in the short-run even a slight reduction of real earnings. The structural weaknesses of Austrian industry, which since 1950 has increased its output five-fold, have become more pronounced. But industry has all along been hampered by a disproportionately large sector of basic industries and material-intensive products. Furthermore, it has been pointed out in a recent study by Dr. Helmut Kramer, deputy director of

—CONTINUED ON NEXT PAGE

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| Oct. 16 | Bank Rates % | Market Rates | |
|--------------|--------------|---------------|---------------|
| | | Day's Spread | Close |
| New York.. | 6 | 2.0490-2.0585 | 2.0550-2.0580 |
| Montreal... | 8 1/2 | 2.1100-2.1210 | 2.1150-2.1160 |
| Amst'rdam | 4 1/2 | 5.41-5.46 | 5.412-5.423 |
| Brussels.... | 6 | 79.80-80.00 | 79.45-79.85 |
| Copenh'gen | 7 1/2 | 12.27-12.55 | 12.27-12.28 |
| Frankfurt.. | 5 1/2 | 5.25-5.29 | 5.26-5.27 |
| Lisbon..... | 6 1/2 | 54.25-54.75 | 54.55-54.55 |
| Madrid..... | 7 | 121.05-121.55 | 121.50-121.50 |
| Milan..... | 6 | 1.586-1.592 | 1.587-1.588 |
| Oslo..... | 5 | 11.25-11.52 | 11.26-11.27 |
| Paris..... | 8 | 8.89-8.93 | 8.894-8.904 |
| Stockholm. | 6 | 8.96-8.99 | 8.96-8.97 |
| Tokyo..... | 7 1/2 | 618-625 | 622-624 |
| Vienna..... | 6 | 57.10-57.60 | 57.20-57.40 |
| Zurich..... | 5 1/2 | 5.4212-5.4612 | 5.45-5.44 |

† Basic discount. † Rates given are for convertible francs: closing financial franc 82.15-82.35.

The above exchange rates are reprinted from the Financial Times for when - 10 October 1954, 1962, 1965, 1971 or 1973.

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Clouds

CONTINUED FROM PREVIOUS PAGE

the Institute for Economic Research, that Austria has attained about 80 per cent of the per head GNP of nine European countries of comparable size (Belgium, Netherlands, Denmark, Sweden, Norway, Finland, Ireland, Switzerland and Austria). But in terms of exports of goods (not of services) per head Austria accounts only for 58 per cent of the average figure.

The relatively weak export orientation of Austrian industry is explained by a variety of factors: its emergence on the basis of domestic raw materials, the long period of high tariff protection, the loss of traditional markets after the collapse of the Austro-Hungarian monarchy and the economic difficulties in the inter-war period. The rapidly growing fuel bill and the repercussions

Restrictions

It is generally agreed that import restrictions and protectionist practices would not really help. What is needed is investment in large-scale innovation, research and development as a basic condition for an overdue shift to high-grade products. A radical improvement of the system of innovation clearly depends on the Government, since this small land-locked country does not possess sufficiently large concerns to be able to carry out and finance long-term costly research projects. Despite what appears to be the end of the fat years, Austria

still enjoys labour peace and political stability, but it is no accident that the 7.5m. Austrians have been living beyond their means.

Restrictions

The recent flurry of speculation against the schilling, hitherto one of the hardest currencies of the world, was a telling sign that the massive external deficit begins to cast a shadow over the country's reputation as a full-fledged member of the European hard-currency club.

The Government will have to take further unpopular measures in the not too distant future if it wants to achieve a real turnaround with regard to the external and budget deficits. These in turn will subject the patience and discipline of the unions to severe tests in the months ahead.

Measures needed to save the schilling

ON THE eve of local elections in the province of Burgenland, a mass circulation Viennese daily, "Kurier," carried a front page report at the end of September that once the poll was over the schilling would be devalued by 5 per cent. The rumours were immediately and firmly denied by Chancellor Kreisky and the National Bank. Yet the whispering campaign and alarming rise of the balance of payments deficit earlier this year have sufficed to enzen-

a flurry of speculation against what was hitherto regarded as one of the world's most stable currencies.

The ruling Socialist Party won a resounding victory at the Burgenland elections and the package of austerity measures presented by the Government the following week led to a quick firming of the exchange rate to the D-mark. However, two weeks later in the course of a heated debate in Parliament, Socialist speakers attacked the "panicky rumour-mongering" originally sparked off by the newspapers of the opposition People's Party and Finance Minister Dr. Hannes Androsch revealed that speculation over the course of a couple of weeks had caused reserves to fall by Sch.5.8bn.

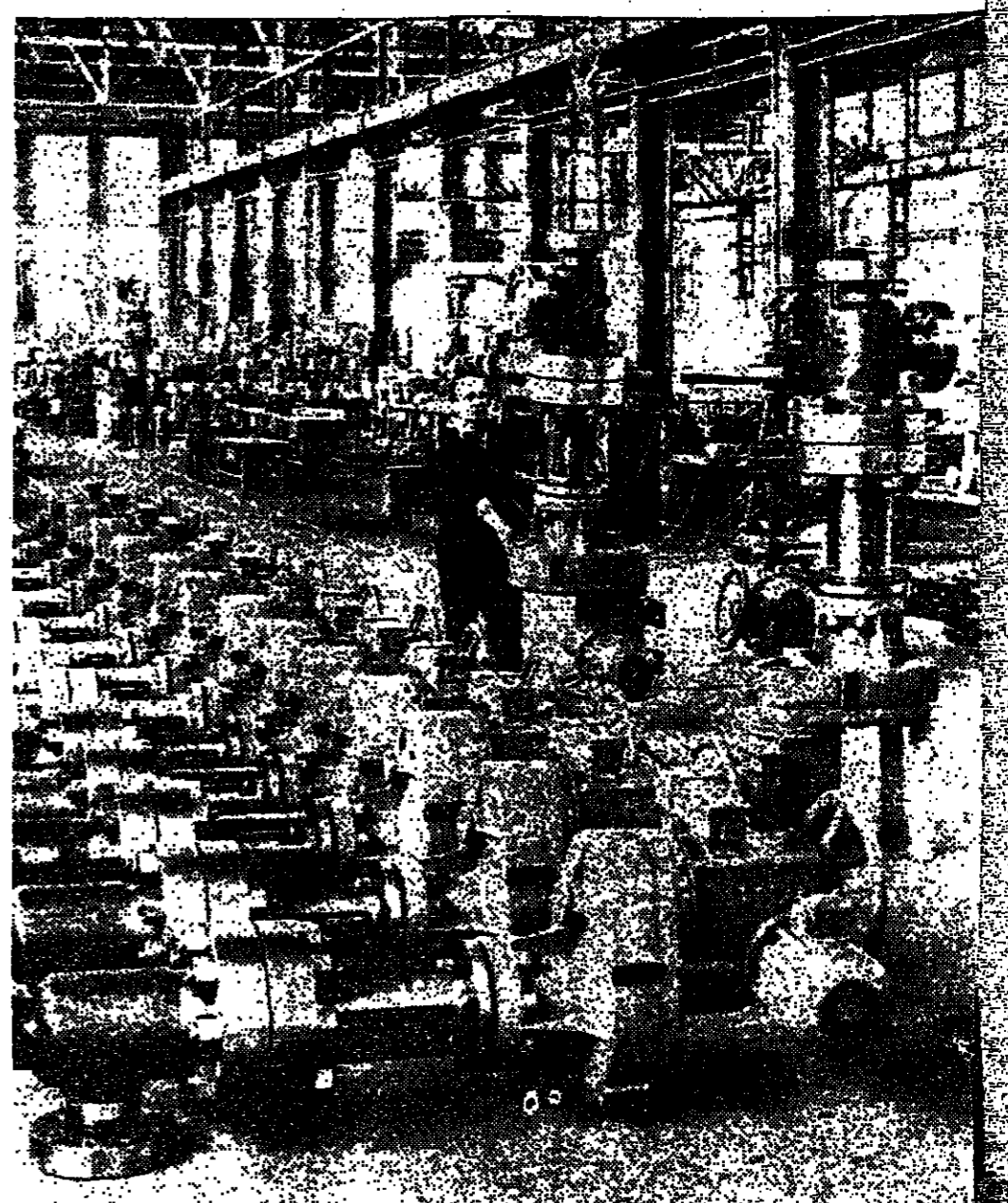
This of course was something completely new in Austria, so long accustomed to boasting of one of the strongest currencies in the world. In a sense the fact that the rumours were believed by many Austrian exporters and multinational companies was psychologically more important than the fall in reserves itself. The speculation reflected deep-seated if latent doubts about the long-term strength of the schilling which since mid-1976 is primarily pegged to the exchange rate of the German mark.

Appreciation

As recently as last year, for example, the schilling increased in value by 6 per cent, overall, gaining 2.2 per cent against the Swiss franc and 8.7 per cent against the dollar. In the five years between the end of 1972 and October of this year, the schilling appreciated in value by 48.52 per cent, against the pound 53.55 per cent, against the Italian lira, and 29.81 per cent against the dollar, even gaining 1.33 per cent against the D-mark and losing only in relation to the Swiss franc by 16.57 per cent.

But it is the relationship to the mark which really matters since Germany, in the first seven months of 1977, supplied 41.5 per cent of Austria's imports, took over 25 per cent of Austrian exports and provided almost four in five of the foreign holiday-makers in Austria. Evidently, the policy decision of the Socialist government to maintain a hard currency policy under any circumstances was influenced not only by propaganda considerations (in the past Socialists were regarded by the man in the street as the "spenders") but also by the deliberate attempt to use the hardness of the schilling as a lever to keep the domestic price levels down and thus to fight inflationary pressures.

In terms of domestic prices, there has been some success with the inflation rate dropping 9.5 per cent in 1974 to 8.4 per cent in 1975, 7.3 per cent in 1976 and to a projected 5.7 per cent this year. But the monetary policy has also helped the influx of imports, primarily from Germany, and hampered Austrian sales which have been hit both by rising unit costs in domestic industry and the appreciation of the schilling against most Western currencies. Last year, the imbalance in trade with West Germany accounted for 80 per cent of Austria's visible trade deficit. During the



The Bühler special steels plant.

first eight months of 1977, for example, the deficit vis-a-vis Germany grew from Sch.30bn. last year to Sch.35bn, which must be compared to an aggregate shortfall of Sch.44bn.

During the eight month period this year, the current account deficit more than doubled, compared to the same period in 1976, to Sch.24.1bn. It should reach at least Sch.34bn. by the end of the year and the forecast for 1978 envisages, under the best of circumstances, yet another deficit of Sch.30bn. Foreign exchange reserves this year will fall by at least Sch.22bn, following a drain of Sch.18bn. last year. The Institute for Economic Research expects a further fall of Sch.15bn. in 1978.

In the course of massive borrowing operations, Austria's external indebtedness has roughly doubled to Sch.109bn. during the past three years. No wonder that debt service is becoming an increasingly appreciable factor in the balance of payments. In the first seven months of 1977, for example, interest payments were up from Sch.1.2bn. to Sch.3.8bn. But in view of the liquidity squeeze, the Treasury must resort not only to massive open market operations but also to continued external borrowing next year. Yet it must also be seen that as Dr. Josef Taus, the leader of the opposition People's

Party and himself a former banker, put it in a confidential paper: the money borrowed abroad ostensibly to guarantee jobs at home leaves Austria as quickly as possible and helps to maintain jobs in West Germany.

What makes the situation even more worrying is the fact that, in contrast to the past, earnings from foreign tourism no longer suffice to offset all or most of the adverse trade balance. Thus in the January-August period, for example, the growth rate in net intake from tourism was only 2.4 per cent, as against 4.7 per cent last year — but during the same period the trade deficit jumped by 33 per cent.

Devaluation

What, then, will happen to the exchange rate of the schilling? Devaluation is opposed not only by the Treasury and the central bank but also by most spokesmen for industry and the banking community. Such a step would only give an ominous push to inflationary pressures and make the servicing of the external debt even more costly. In contrast to Scandinavian governments, the Austrian policy-makers seek to restore the equilibrium in external payments not through changes of the exchange rate but through domestic policy measures aimed at dampening

consumption, imports and public expenditures.

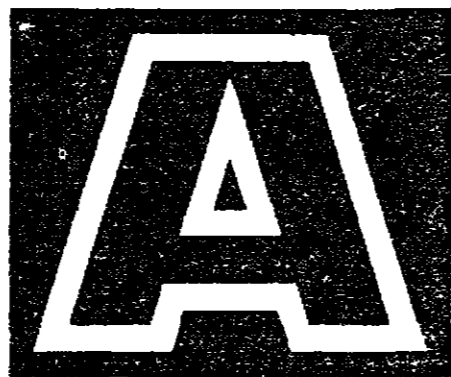
It is of course true that Chancellor Kreisky put it in latest speech to Parliament Austria still has per head largest foreign exchange reserves preceded only Switzerland and West Germany. Yet there is no denying the fact, stressed by the latest quarterly report of the GfK, that the cumulative current account deficit (adjusted) to the tune of Sch.50bn. in 1976-77 represent about 60 per cent of a foreign exchange reserves (including gold) piled up by 1976. Furthermore, the National Bank's latest balance of payment statistics reveal that between August 1976 and August 1977, Austria's external reserves (including external assets of the credit institutions) were run down by almost Sch.24bn. to Sch.35bn., at these figures do not even reflect the effects of the recent speculative pressure on the schilling. To sum up, Austria is situated better placed than most other Western European countries cope with the imbalance external payments. But if maintenance of a strong exchange rate will depend on the determination of the Government to reduce public spending and on the ability of the labour leadership to convince parary belt tightening.

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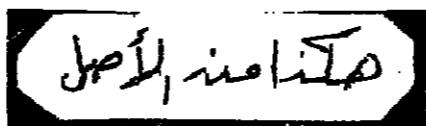
| | 1975 | 1976 | Change |
|--------------------------------|-------|-------|--------|
| Turnover (ASm) | 7,886 | 9,945 | +26% |
| Exports (ASm) | 4,108 | 5,371 | +30% |
| Orders on hand (ASm) | 2,027 | 2,863 | +41% |
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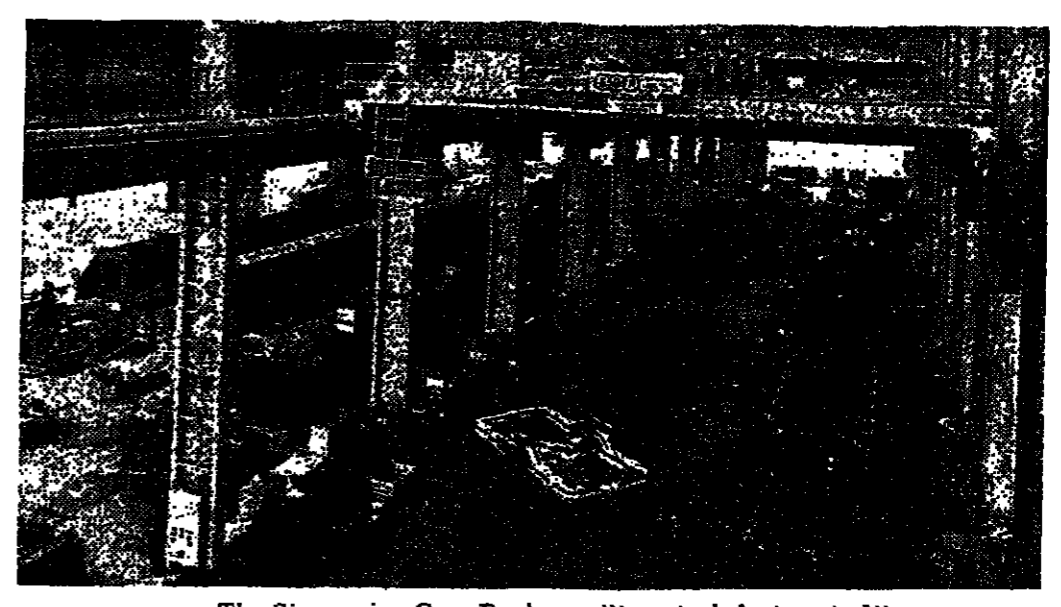
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AUSTRIAN INDUSTRY III

Efforts to boost home demand



The Simmering-Graz-Pauker rolling stock factory in Vienna.

THE favourite pop deficit and the dismantling of industrial tariffs as of July in the second quarter of 1976 to only half a per cent. In the second quarter of this year, preliminary estimates for 1977 indicate that the export performance will be only 4 per cent. in real terms instead of the originally forecast 8 per cent.

A comparison with Germany and Switzerland shows that the deterioration during the past two years has been primarily due to the extremely vigorous expansion of Austrian imports. This is the reason behind the current efforts to convert the Austrians into "more patriotic" consumers who prefer "made in Austria" goods to imported products of same price and quality. The point of the matter is however that in the wake of their own economic miracle the Austrians have become choosier, more critical and price-conscious. Thus in the first half of 1977, for example, imports of food were Sch.5bn. higher than food exports. The foreign trade balance in such manufactures as footwear, clothing and furniture recorded during the same period a deficit of Sch.4bn.

At the same time the net income from tourism can only take just about half of the trade deficit, compared with almost 100 per cent. six or seven years ago. This is due not only to the low rates of growth in expenditures by foreign tourists but even more to the rapid rise in the number of Austrians who have been taking their holidays abroad. A shopping trip to London for example was not such a long time ago seen as something of a luxury. Two years ago the largest domestic travel agency, the Austrian Verkehrsbeiro, organised about 50 excursion flights to London per annum. This year this agency alone operates 130 charter flights to London, each with 100 passengers... the so-called direct imports by travellers are estimated to have reached Sch.16.5bn. last year or about 8 per cent. of the aggregate imports recorded in the statistics.

For all the efforts of the Chamber, however, there are certain crucial sectors where import-substitution is neither possible nor would it be sensible. Thus spending on imported cars jumped from Sch.9.5bn. to Sch.14.2bn. between 1975 and 1976. In all 240,000 cars were imported. Despite controversial projects to set up a car plant in cooperation with the German Porsche company and modest ventures in manufacturing components by Renault, there is no scope for "import substitution."

In the first place the measures should hit foreign exporters and only to a much lesser extent domestic producers. At the same time the government is under pressure from the domestic textile producers, who are faced with serious difficulties, and decided to introduce in August this year the system of import declarations in order to stop the growth of imports from low cost countries. A transition to a system of global import licences may be suggested at a later date in Austria between 1975 and 1977 have risen by 11 per cent. but only by 9 per cent. in Germany and in Switzerland by 6.5 per cent. According to estimates by labour experts, unit production costs between 1972 and 1976 rose 14 per cent. faster than the average for Austria's trading partners.

Tax

This is the reason why the government decided to introduce what is popularly, but of course misleadingly, called a "luxury tax," that is a special 30 per cent. rate of VAT instead of the average 18 per cent. on cars, stereo equipment, jewellery, furs, cameras accounting for six per cent. of private consumption. Their share in the imports total reaches 10.4 per cent. with cars alone accounting for 7.4 per cent. and in terms of imported consumer goods the ratio rises to 24.9 per cent. (cars representing 18.2 per cent.). The value of imported goods subject to the 30 per cent. VAT rate as of January 1, 1978 reached Sch. 18.3bn. last year.

In the final analysis, however, neither the "buy Austrian" campaign nor the tax increases affecting imported consumer goods will suffice to protect domestic industry. During the 1973 to 1976 period consumer prices in Austria have been rising 2 to 3 per cent. more quickly per annum than in other hard currency countries. Even Chancellor Kreisky claimed arguments, that average wages in Austria between 1975 and 1977 have risen by 11 per cent. but only by 9 per cent. in Germany and in Switzerland by 6.5 per cent. According to estimates by labour experts, unit production costs between 1972 and 1976 rose 14 per cent. faster than the average for Austria's trading partners. Next year the Chamber of Economy is set to organise 89 exhibitions and fairs in Europe and overseas in a bid to gain foreign orders. Exports are estimated to provide the basis for the jobs of a quarter of a million people. But taxes and levies reducing the scope for self-financing are unlikely to give the much needed impetus for the small and medium firms which still provide the backbone of Austrian industry. It depends to no small degree on their salesmanship, innovative spirit and confidence in economic policy whether the balance of payments deficit can be reduced to manageable proportions within the next few years.

Strains on labour

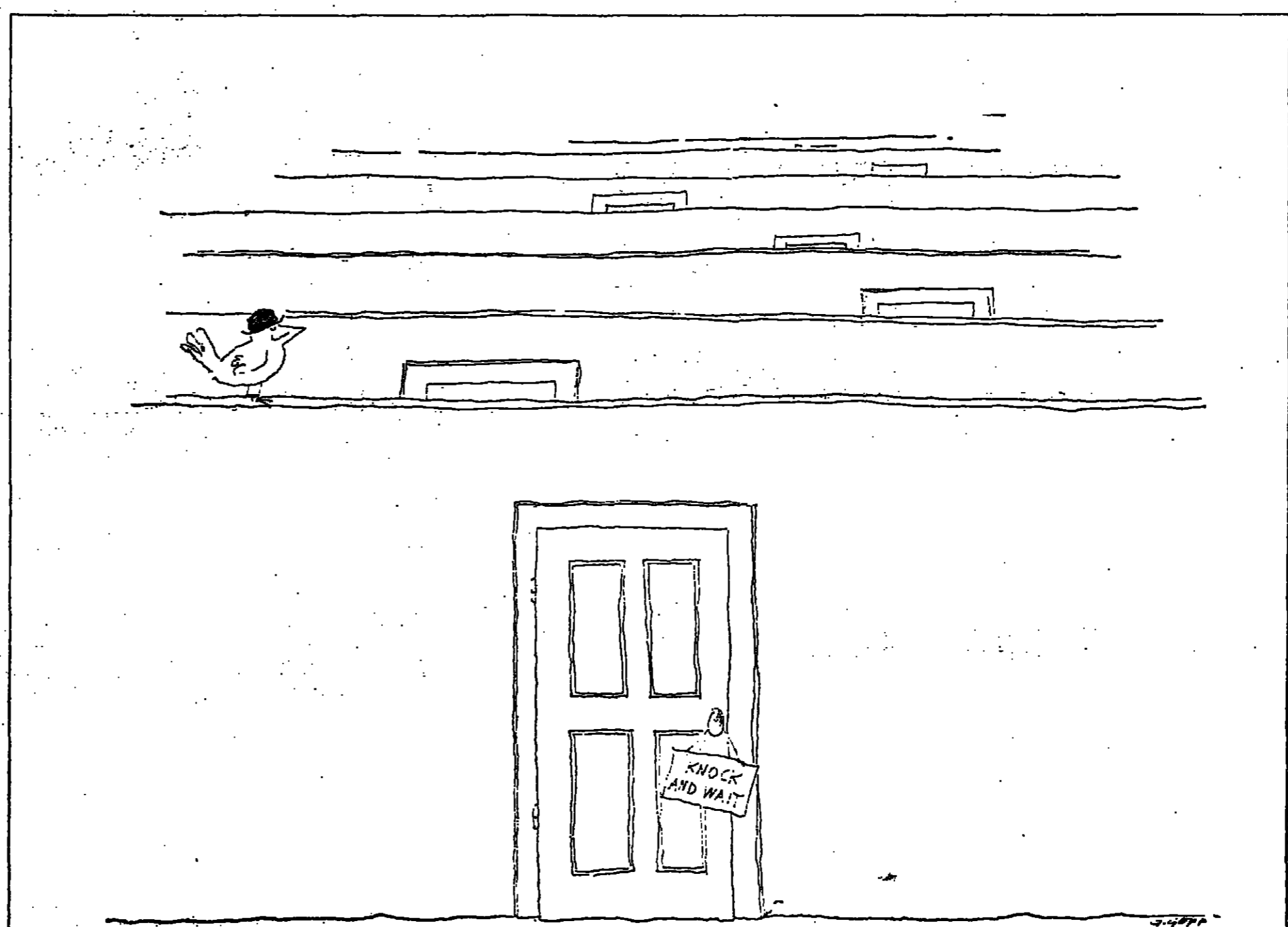
LL the international meeting that the unions knew very well which demands were economically possible. These two men are generally regarded as the symbols of the social consensus based on a voluntary and flexible co-operation between the two sides of industry and the farmers, represented by the unions and the Chamber of Labour on the one hand, and the Chamber of Economy and Chamber of Agriculture as well as the Federation of Austrian Industrialists on the other. Together with the Government in power, the representatives of corporate bodies regularly met at the sessions of the parity commission on prices and wages and its sub-committees.

Informal

The informal style and flexible operation of the social partnership has so far been successful because it is not influenced by institutional or legal constraints. To a high degree it is also a matter of personalities and of their mutual confidence in sticking to the unwritten rules of the game. Nothing could provide a more revealing clue to the climate still prevailing in this small country than the fact that on Herr Benya's 65th birthday this month, Austrian television carried a long interview with Herr Sallinger. The president paid respect to the personality of the powerful union leader and a couple of days later even gave a party in a wine cellar in honour of his political opponent.

At the same time books published about Austria in the road to a union the absence of strikes in the Trade Union which with a membership of 7.5m. encompassing 90 per cent. of gainfully employed and salary earners, being on 16 branch directly and indirectly is a truly powerful recent speech. Herr Sallinger, the president of the Federal Chamber of Industry, issued a public warning that the unique Austria social partnership was being threatened through shifts in the balance of power. "The condition for partnership is the equality of the two sides," he said. "It is not the equal weight," he said, "of the two sides, but the fact that they are both on the same level."

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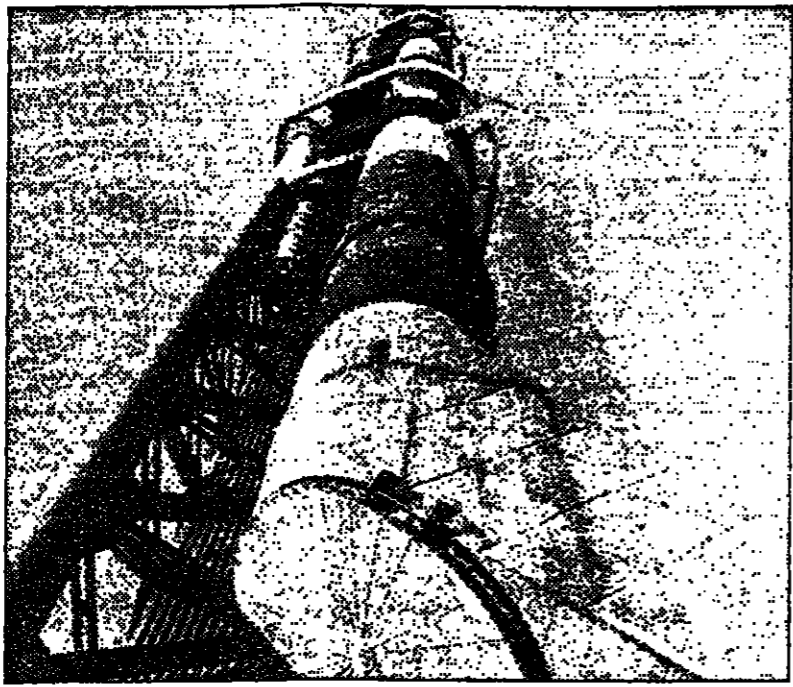
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AUSTRIAN INDUSTRY IV

Nationalised sector needs to contract

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THE ANNOUNCEMENT that Voest-Alpine, the steel concern, will have to introduce in November short-time working which might affect at least 5,000 but possibly even as many as 13,000 workers came as a shock to the Austrian public which has long regarded the single largest Austrian company as a showpiece of Austrian industry. It is also by far the most important sector of the nationalised industries. In a country noted for its lopsided structure, dominated by relatively small and medium family firms, Voest-Alpine, particularly since the mergers in the steel and special steel industries in 1973-75 is something of a giant with a total labour force of some 80,000. About 75,000 are employed in Austria and the parent company, Voest-Alpine (that is without its special steel and other subsidiaries currently) has about 41,000 on its payroll. Its special steel subsidiary, Vereinigte Edelmetallewerke (VEW) claims a labour force of 19,000, together with subsidiaries the number of employees last year reached almost 27,000.

The steel and special steel companies have been severely hit by the world steel slump. Voest-Alpine is faced with the problems of surplus capacities and is heavily overmanned. What is its new managing director, Herr Heribert Apfalter,

calls "retraining" for the sake of appearances is a reflection of a rapidly deteriorating situation. Despite a reduction of the labour force by 3,000 during the last three years, there is still labour hoarding. Dr. Franz Geist, the director general of OEIAG (Oesterreichische-Industrieverwaltungs - Aktiengesellschaft), the holding company for the nationalised industries estimates for example that employment should be cut by 6,000 to 8,000 during the next five years. Both Voest-Alpine and VEW are once again in the red this year. Mr. Apfalter estimates that turnover this year will fall by 3 to 4 per cent. from last year's Sch.28.7bn. which in turn represented a 23 per cent. increase. Worse still, losses are estimated to be even higher than the Sch.690m. recorded in 1975 and together with a Sch.300m. loss for the special steel company, the group as a whole might even post a loss of over Sch.1bn.

Avert

What has helped to avert even greater losses and massive lay-offs was the switch during the past few years to machinery and industrial engineering, whose share has risen to 37 per cent. of Voest-Alpine's turnover. According to Mr. Apfalter, it should reach half of the turnover in the not too distant future. For the time being, "retraining" and early retirement schemes coupled with a freeze on new employment will suffice to avert redundancies.

Steel, of course, is only one part of the nationalised sector. Ever since World War II it has also comprised the oil, aluminium, nonferrous metal industries, most of the coal mines and large segments of heavy engineering and electrical industries. The OEIAG concern as a whole accounted last year for 20 per cent. of aggregate industrial output, 17.3 per cent. of the industrial labour force and 23 per cent. of the exports.

The balance sheet for the nationalised industries last year showed a total turnover of Sch.96.5bn. against Sch.81bn. a year earlier with 37 per cent. of the output exported. At 116,224, the labour force remained virtually unchanged. Provisional figures for the first half of 1977 indicate a rise in turnover from Sch.40.9bn. in the same period last year to Sch.46.9bn., but exports were only up from Sch.15.7bn. to Sch.16.7bn. Meanwhile, total employment was slightly down from 115,403 to 114,586 between mid-1976 and mid-1977.

Dr. Franz Geist, the outspoken chief of the holding company whose contract expires next March, regards the co-operation agreement between the nationalised Elin concern and Siemens Austria, in which OEIAG has a 43.6 per cent. minority interest, the setting up of a joint petrochemical subsidiary by OEMV, the state oil corporation and Chemie Linz, the nationalised chemical company, and the mergers in the steel and non-ferrous metal sectors as his greatest personal achievements. He is also the initiator of the highly controversial "Austro-Porsche" project which involves the erection of a plant based on know-how provided by Porsche of Stuttgart. The plan to produce 50,000 expensive cars with 42,000 sold abroad has sparked off intense public controversies and no final decision has yet been taken by the government.

Responsibility

Neither the achievements nor the difficulties of this huge sector can however be ascribed to the holding company alone. The sector as a whole and the individual companies have always been subjected to political back-seat driving both in the capital and in the provinces. But as Dr. Oskar Gruenwald of the four member Board of directors puts it, the key question is efficiency and the ability of strong managements at company level to work independently. He is widely tipped as one of the possible successors to Dr. Geist, albeit his complete lack of experience in industrial manage-

ment is regarded as a hand-in. In the final analysis, nationalised sector is under direct supervision of the Chancellor himself and Dr. Kreisky well known for his ability and inclination to put forward proposals for personal appointments which nobody has seen. The Austrian born Geist himself, for example, chosen as chief of the OEIAG in 1971 although he had spent decades in the German industry. Regardless of possible personnel changes at the top, the institutional form of State control over this sector is unlikely to be changed. Despite Dr. Geist's eagerness to gain executive powers with regard to individual companies, the OEIAG is bound to remain essentially a financial holding and a controlling body which can intervene in case of a manager or business crisis.

Dr. Geist warned in July long-term sales opportunities were jeopardised by the fact, calculated on a dollar unit labour costs in Austria since 1967 had risen by 15 per cent. as against 57 per cent. in the U.S. It is becoming fully evident that high-cost producers will no longer be able to ride out the international economic storms under the umbrella of the nationalised sector. The sooner the State companies embark on a road to ruthless rationalisation, the better for the entire - and also for the Austrian - payer.

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Labour

CONTINUED FROM PREVIOUS PAGE

Both men are key figures in their respective parties. Herr Benya not only has a seat in the socialist leadership but is also president of parliament. This down-to-earth erstwhile radio mechanic, who has been heading the unions for over 14 years, is seen by some commentators as perhaps the single most powerful politician, possibly even more influential than Chancellor Bruno Kreisky himself. A recent opinion poll revealed that Dr. Kreisky, who has led the socialists to victory at the polls three times since 1970, is more than ever the most popular and most respected Austrian politician. And it was Herr Benya who a couple of weeks ago unexpectedly but not accidentally proclaimed at a mass meeting of Viennese socialists that Dr. Kreisky should also lead the party at the next elections in 1979.

As the Socialist Party captured an absolute majority both in 1971 and 1975, and as the unions are of course dominated by the socialists, the Austrian business community and professional people are worried about irreversible changes in the social and economic structure. Their anger exploded in the form of an unprecedented protest demonstration and a blockade in Vienna in September, involving 6,000 cars, when plans about cuts in tax-deductible allowances affecting both self-employed persons and companies were made public. It is this growing anger of the middle class which forces Herr Sallinger to warn the unions and the Government that co-operation in the long run is only possible if agreements and measures are not directed permanently against the interests of one partner.

Unhappy

The Federation of Austrian Industrialists is also not surprisingly unhappy about the austerity measures and the Government's economic strategy. As its President, Dr. Hans Igler, who is one of the partners in the Schoeller Bank, the merchant bankers, put it, the institution of social partnership cannot carry alone the burden caused by a policy of wrong priorities. He pointed out that the Government should ruthlessly cut the costs of the enormously expensive welfare system, ranging from marriage grants of Sch.15,000 per couple to free school books for every child and subsidies for the inefficient hospital system. Such seemingly small steps could in all yield the equivalent of Sch.8-9bn. Dr. Igler believes.

But he, as many other observers, regard incomes policy as the key to future prosperity and the strength of the schilling. Yet last year average wages in Austria were up by 10.3 per cent. as against 6.2 per cent. in West Germany and 1.5 per cent. in Switzerland. The trend continued this year, with gross earnings in industry in the second quarter up by 10.8 per cent.

and net disposable incomes by 11.5 per cent. In view of a 5.5 per cent. inflation rate, this means a 5 per cent. rise in real earnings, a figure completely out of line with economic reality. Unit labour costs in industry rose in the second quarter by 7 per cent. All this is hardly conducive to the improvement of international competitiveness.

It would, however, be wrong to draw a clear dividing line between political decision-making in parliament and the institutions which form the basis of social consensus. Thus there are 26 union functionaries (21 Socialist and five People's Party) among the MPs, and 58

further MPs occupy positions in the various corporate chambers (20 Socialists and 38 People's Party). In all, a recent study revealed that one in two among the 183-mps, is a professional party, union or chamber functionary. Furthermore, two unionists sit in the Government, as ministers of labour and trade respectively. Last but not least, the unions and chambers have the right to pass a judgment on every important draft bill before it is presented to Parliament.

The social consensus has provided the basis for Austria's economic miracle after the second world war. According to

the latest OECD report, Austria between 1955 and 1976 second only to Japan in economic growth, with an annual 4.5 per cent. rise in per head gross national product. Reckoned on a dollar basis Austria in per head income in 1970 was 28 per cent. of the average of the EEC Community. However, by Austria was 1 per cent. The price for the record growth, however, has yet to be seen. It remains to be seen whether the institutions of the partnership will be as useful in time of painful retreat as they were during long period of seemingly limited expansion.



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FARMING AND RAW MATERIALS

Bacon may be cheaper next week

Richard Mooney... BACON... The fact that the price of... has been rashed down in the past week...

EEC plan to phase out farm currency payments

BY ROBIN REEVES... THE EUROPEAN Commission's 13-man executive has approved a new plan for the gradual, but automatic, phasing out of the monetary border taxes and subsidies between EEC member states...

Sharp rise in coffee prices

By Our Commodities Staff... COFFEE PRICES recovered strongly following Wednesday's fall and by last night's close the January futures position on the London terminal market had reached the highest level since early last week...

U.K. SUGAR BEET Price squeeze threat to future expansion

BY DAVID RICHARDSON... THE END of unofficial industrial action in support of a pay claim which has held up processing at more than 100 sugar beet factories since the start of this year's campaign...

Call for U.K. commodity stockpiles

THE SEA of money should be used by the British Government to take advantage of commodity price and raw materials for import by later, according to Michael Montague...

Irish beef imports anger Welsh

BY OUR COMMODITIES STAFF... SIR HENRY PLUMER, president of the National Farmers' Union, is to lead a delegation of Welsh farmers to complain about the high level of beef imports from Ireland...

Record forecast for world rice

WORLD RICE production may reach a new record this year, according to the United Nations Food and Agriculture Organisation...

EEC surplus

A similar situation exists throughout most of the sugar beet growing areas of Europe and reports on root weights suggest that yields will be 10 to 20 per cent lower than usual...

COMMODITY MARKET REPORTS AND PRICES

Table with multiple columns listing commodity prices for metals, grains, and other goods. Includes sub-sections like 'METALS', 'GRAINS', and 'COFFEE'.

PRICE CHANGES

Table showing price changes for various commodities. Columns include 'Commodity', 'Price', and 'Change'.

Advertisement for 'Some of the worst wounds...' featuring a photograph of a person's face and text describing a medical or psychological condition.

Advertisement for 'are the ones that don't show' featuring a photograph of a person's face and text describing a medical or psychological condition.

Advertisement for 'EX-SERVICES MENTAL WELFARE SOCIETY' providing contact information and services for veterans.

Advertisement for 'FINANCIAL TIMES' and 'REUTERS' providing subscription information and contact details.

Advertisement for 'BARBADOS PLANS TOBACCO REVIVAL' and 'JUTE' with details about tobacco and jute products.

STOCK EXCHANGE REPORT

Gilts below best and equities fade after firm start Share index down 1.4 at 511.6 after 519.2—Golds sold again

Account Dealing Dates
Option
*First Declara- Last Account
Dealings Decs Dealings Day
Oct. 17 Oct. 27 Oct. 28 Nov. 8

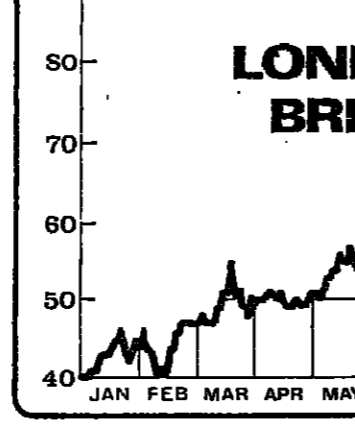
As predicted overnight, British Funds made the best showing in stock markets yesterday following the cautious proposals put forward by Mr. Healey. Probably inhibited by the problems still facing the authorities in maintaining their stance on the monetary and exchange rate fronts, potential buyers gave little sign of their presence, however, and prices at the long end of the market made only moderate headway, especially in view of the fact that there was the added spur of the announcement of the exhaustion of the long tax Exchequer 10 1/2 per cent. 1997. Quotations for the long showed gains to a full point but these were pared by the official close and by a further 1 in the inter-office trading when the pound gave up part of its earlier rise against the U.S. Dollar following reports of the much lower than expected U.S. trade deficit. Parity between the Chancellor's stated thoughts that short-term interest rates had bottomed out, near-dated Gilts were only modestly higher, the Government Securities Index up 0.32 more for a three-day rally of 0.93 to 77.73.

out prices in this area were quick to move ahead. Profits-taking, however, developed later in the day and earlier gains profits ranged to minus where pared to 3 by the close and the trend to lower levels continued in the late dealings as further stock came on offer. Short-dated issues were overshadowed by the long. Closing quotations were no more than narrowly mixed, but the late tone here also softened. Corporations made headway in line with the main Funds and closed with gains up to 1, while in recently-issued Fixed Interest stocks, Liverpool 13 per cent. 1988, gained 3 to 109, and Burnley 13 per cent. 1987, improved 1 to 110.

Adverse factors worked against the investment currency market in equity trading and the premium was quickly lowered to 91 1/2 per cent. However, once the selling had dried up a good institutional trade developed and the market returned to a more orderly fashion with the premium improving gradually to 94 1/2 per cent. before closing a net 1 up at 94 1/2 per cent. Yesterday's SE conversion factor was 0.7520 (0.7516).

Allied Irish up
Recent fund-raising rumours concerning Allied Irish Banks were confirmed yesterday with the announcement of a £16.0m. rights issue but the forecast 1988 dividend was cut to 12p from 14p. Elsewhere, the major clearers ended little changed apart from a fall of 4 to 252 1/2 in Lloyds. Fresh speculative interest was shown in Fraser Ansbacher which held at 12p. Insurances closed easier throughout. Up to 182p after the interim figures, Mincit drifted down late to end at 177p. Wills Faber shed 4 to 289p. Breweries closed below the best following an improved business. Baws Charrington ended 3 up at 153p, after 181p. Distilleries were active, but little changed. Following Tuesday's late dullness on disappointment with the Chancellor's Budget proposals for the industry, contracting and construction issues opened firmer yesterday but drifted lower on year-to-year to close at, or near, the day's lowest. Marchwell, with interim figures due next Monday, gave up 4 to 288p. Further consideration of the interim profits prompted an early rally to 256p in BPB Industries but the shares finished a net penny down on balance at 251p. Carron received 3 to 35p as did Lafarge Organisations. After the interim dividend announcement, London Brick picked up a penny of the previous day's decline of 3. Vibro-plant put on 3 to 109p and Eenna Mining gained 4 to 89p as did Manders, to

Jenks and Cattell added 4 at 89p. Foods recorded several firm spots. Tate and Lyle closed 6 up at 206p after 205p, following news of the company's plans to build a £10m. plant in Liverpool to produce special sugar-based chemicals. J. Bibby rose 5 more to 186p following the deal with Ross Poultry, while speculative activity lifted Associated Biscuit 1 to 121p. Spillers closed marginally better at 75p after the previous day's reaction on the interim statement, while Brooker Bond finished a shade higher at



on November 10; suggestions were again being made that the group may announce a share-split. Mothercare ended 4 to the good at 210p and Marks and Spencer hardened 2 to 164p. Elsewhere, James Walker N.V. advanced 6 to 92p as did Allied Retailers, 182p, while Gratton Warehouses finished 8 higher at 158p. Electricals were bereft of any penny or so lower where changed, with GEC 2 down at 274p, after 276p. With Ever Ready's disappointing trading statement still fresh in the mind and the temporary departure of the company's chairman to British Leyland still adversely affecting sentiment, Chloride declined 4 to 104p. Electrocomponents, at 290p, gave up 3 of Wednesday's rise of 10, but Fidelity Radia gained 3 to 88p on the interim statement which reported a recovery in consumer spending over the last month or so. Firm at first, leading Engineering turned easier as the day progressed and generally closed at the day's lowest. John Brown, 200p, and GKN, 283p, both finished 8 lower after 202p and 289p, respectively. Elsewhere, Sheepbridge reflected disappointment with the interim results and shed 6 to 80p. Buying in a thin market prompted a rise of 1 1/2 to 147p in Wolf Electric Tools, while Mining Supplies put on 3 to 89p and

on balance. Glaxo, which touched 650p at one stage, ended a net 2 down at 643p, while Becham also up to 685p in early dealings finished unaltered on the day at 645p. BOC International, 1 essier at 74p, were hardly affected by the late announcement that the strike is likely to continue. Motors and Distributors fluctuated narrowly around overnight levels. Lucas Industries were again noteworthy, closing 3 up at 210p, after 212p, for a two-day gain of 8; the preliminary figures are expected on November 7. Crane Fruehauf edged forward a penny to 73p, a premium of 2 over the 70p share cash offer from Fruehauf Corporation, Inc. CP came too late to affect the price. British Leyland, at 25p, lost 2 1/2 of the previous day's rise of 5 1/2 which followed the appointment of the new chairman, while Flight Refuelling eased to 108p in front of the interim statement before rallying on the increased profits to close only 2 1/2 cheaper on balance at 100p. In Garages, Adams and Gibson hardened 2 1/2 to 74p, while Godfrey David improved 4 to 85p. North Sea oil favourite Thomson were notable for a decline of 11 to 665p. East Midland Allied A, however, gained 4 to 71p. BRC altered its bid amount to 130p among Paper/Printings.

Oil Exploration up
Leading Oils moved in line with the general market trend, early rises being trimmed to only a penny or two by the close. British Petroleum rose to 800p in the morning, sentiment being helped by the good overnight rally on Wall Street, but the close was only a net 2 up at 808p; the partly-paid closed a like amount up at 750p, after 752p. Shell were less volatile, but they too finished 2 to the good at 825p, after 826p. Revised speculative demand lifted Oil Exploration 10 to 396p, after 390p, with gains of 4, 22p, seen in Siebens (U.K.), 374p, and Triacron, 198p, the last-named being helped by news that oil was expected to flow from the Thistle field by the end of the year. Chf Oil remained firm at 500p, up 13, and Ranger added another 1 at 217p. The lapsing of Allied London's bid for Peasey had no impact on the latter which closed 2 up at 75p. Elsewhere in the Property sector, took Fairbairn Lawson up by 3; the leaders were narrowly mixed, but speculative demand was seen for selected secondary issues. Law Land rose 2 1/2 more to 431p, while a call option business at Inter appeared. South Crocker eased a penny to 73p. Elsewhere, Tara Exploration dropped 4 1/2 more to a 1977 low of 575p—a two-day fall of 100—on further consideration of the recent European zinc producer price cut.

Bath and Portland dip
The miscellaneous Industrial sector had a late weak feature in Bath and Portland, which fell 15 1/2 to 77p on the announcement that recent merger discussions with Fairclough Construction had proved abortive. Fairclough lost 3 at 72p. By contrast, S. Simpson A jumped 14 to 74p on the excellent preliminary profits statement. Press comment helped Stanley Gibbons, 2 better at 135p, and Smith and Nephew, 1 higher at 153p. Further consideration of the recent trading statement, took Fairbairn Lawson up by 3; the leaders were narrowly mixed, but speculative demand was seen for selected secondary issues. Law Land rose 2 1/2 more to 431p, while a call option business at Inter appeared. South Crocker eased a penny to 73p. Elsewhere, Tara Exploration dropped 4 1/2 more to a 1977 low of 575p—a two-day fall of 100—on further consideration of the recent European zinc producer price cut.

FINANCIAL TIMES STOCK INDICES
Table with columns for various indices (Government Secs, Fixed Interest, Industrial Ordinary, Gold Mines, etc.) and their values for Oct 27, Oct 28, Oct 29, Oct 30, Oct 31, Oct 30, Oct 31.

HIGHS AND LOWS
Table with columns for Stock, Denomina, No. of Closing, Change, 1977 high, 1977 low. Lists various stocks like Govt. Secs, Fixed Int., Ind. Ord., Gold Mines.

ACTIVE STOCKS
Table with columns for Stock, Denomina, No. of Closing, Change, 1977 high, 1977 low. Lists various stocks like Con. Gold Fields, Distillers, Shell Transport, etc.

OPTIONS TRADED
Table with columns for Stock, Denomina, No. of Closing, Change, 1977 high, 1977 low. Lists various stocks like Con. Gold Fields, Distillers, Shell Transport, etc.

RISES AND FALLS YESTERDAY
Table with columns for Stock, Change, 1977 high, 1977 low. Lists various stocks like British Funds, Foreign Bonds, etc.

Gilts below best
As expected, British Funds made a firm showing yesterday following overnight consideration of the Chancellor's economic package and with sentiment being aided by the surprise announcement that the Government broker's remaining supplies of the £30 paid long tap, Exchequer 10 1/2 per cent. 1997, had run

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Table with columns for Stock, High, Low, Change. Lists various stocks like F.P., B.P., S. Simpson, etc.

FIXED INTEREST STOCKS
Table with columns for Stock, High, Low, Change. Lists various stocks like F.P., B.P., S. Simpson, etc.

"RIGHTS" OFFERS
Table with columns for Stock, High, Low, Change. Lists various stocks like F.P., B.P., S. Simpson, etc.

NEW HIGHS AND LOWS FOR 1977
Table with columns for Stock, High, Low, Change. Lists various stocks like F.P., B.P., S. Simpson, etc.

FT—ACTUARIES SHARE INDICES
These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table with columns for EQUITY GROUPS, GROUPS & SUB-SECTIONS, Index No., Day's Change, etc. Lists various equity groups like CAPITAL GOODS, CONSUMER GOODS, etc.

FIXED INTEREST PRICE INDICES
Table with columns for Index No., Day's Change, etc. Lists various fixed interest price indices like British Government, etc.

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كلانا في الأصل

AUTHORISED UNIT TRUSTS

Table of authorised unit trusts including British Life Office Ltd, British Overseas Airways Corp, and various investment funds.

OFFSHORE AND OVERSEAS FUNDS

Table of offshore and overseas funds including Fidelity Invest. & Res. (G.S.) Ltd, Anglo-Siam Investment Fund, and various international investment vehicles.

CLIVE INVESTMENTS LIMITED
Exchange Ave., London EC3V 3LU Tel. 01-283 1101

INSURANCE BASE RATES
Property Growth 7.0%
Common Assurance 5.5%

Table of base lending rates for various banks and financial institutions.

OD PRICE MOVEMENTS

Table showing price movements for various commodities like wheat, sugar, and oil.

INSURANCE, PROPERTY, BONDS

Large table listing various insurance, property, and bond products from companies like Abbey Life Assurance, Cornhill Life Assurance, and others.

NOTES
Prices do not include 5% premium, except where indicated...

HEALEY & BAKER SURVEYORS VALUERS AND AUCTIONEERS OF REAL ESTATE

FT SHARE INFORMATION SERVICE

HOTELS (Misc.) table with columns for stock, price, and change.

BRITISH FUNDS

Table of British Funds including 'Shorts' (Lives up to Five Years), 'Five to Fifteen Years', and 'Over Fifteen Years' categories.

AMERICANS—Continued

Table of American stocks including companies like Amstar, Amstar Fibers, and Amstar Paper.

BUILDING INDUSTRY—Cont.

Table of Building Industry stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

DRAPERY AND STORES—Cont.

Table of Drapery and Stores stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

ENGINEERING—Continued

Table of Engineering stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

CANADIANS

Table of Canadian stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

ELECTRICAL AND RADIO

Table of Electrical and Radio stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

INTERNATIONAL BANK

Table of International Bank stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

CORPORATION LOANS

Table of Corporation Loans including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

CHEMICALS, PLASTICS

Table of Chemicals and Plastics stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

ENGINEERING MACHINE TOOLS

Table of Engineering Machine Tools stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, etc. stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

LOANS (Misc.)

Table of Miscellaneous Loans including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

CINEMAS, THEATRES AND TV

Table of Cinemas, Theatres and TV stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

DRAPERY AND STORES

Table of Drapery and Stores stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

HOTELS AND CATERERS

Table of Hotels and Caterers stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

AMERICANS

Table of American stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

AMERICANS

Table of American stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

AMERICANS

Table of American stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

INDUSTRIALS (Misc.)

Large table of Industrial stocks including companies like Amstar Fibers, Amstar Paper, and Amstar Textiles.

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INDUSTRIALS—Continued

Table of industrial stock prices including companies like British Petroleum, Shell, and ICI.

INSURANCE—Continued

Table of insurance stock prices including companies like Sun Alliance and Commercial Union.

PROPERTY—Continued

Table of property stock prices including companies like British Land and Guinness.

INV. TRUSTS—Continued

Table of investment trusts including companies like British Venture and Anglo-Saxon.

FINANCE, LAND—Continued

Table of finance and land stock prices including companies like Anglo-Continental and Anglo-Amer.

NOMURA advertisement: Japan's leader in international securities and investment services. The Nomura Securities Co., Ltd.

MINES—Continued

Table of mine stock prices including Anglo-American and Anglo-Amer.

AUSTRALIAN

Table of Australian stock prices including Anglo-Amer and Anglo-Amer.

TINS

Table of tin stock prices including Anglo-Amer and Anglo-Amer.

COPPER

Table of copper stock prices including Anglo-Amer and Anglo-Amer.

MISCELLANEOUS

Table of miscellaneous stock prices including Anglo-Amer and Anglo-Amer.

NOTES

Notes section containing various financial notices and company announcements.

TEAS

Table of tea stock prices including Anglo-Amer and Anglo-Amer.

INDIA AND BANGLADESH

Table of India and Bangladesh stock prices including Anglo-Amer and Anglo-Amer.

MINES CENTRAL RAND

Table of central rand mine stock prices including Anglo-Amer and Anglo-Amer.

EASTERN RAND

Table of eastern rand mine stock prices including Anglo-Amer and Anglo-Amer.

FAR WEST RAND

Table of far west rand mine stock prices including Anglo-Amer and Anglo-Amer.

O.F.S.

Table of O.F.S. stock prices including Anglo-Amer and Anglo-Amer.

FINANCE

Table of finance stock prices including Anglo-Amer and Anglo-Amer.

DIAMOND AND PLATINUM

Table of diamond and platinum stock prices including Anglo-Amer and Anglo-Amer.

INSURANCE

Table of insurance stock prices including companies like Sun Alliance and Commercial Union.

PROPERTY

Table of property stock prices including companies like British Land and Guinness.

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Table of property stock prices including companies like British Land and Guinness.

REGIONAL MARKETS

Table of regional market stock prices including Anglo-Amer and Anglo-Amer.

OPTIONS

Table of options stock prices including Anglo-Amer and Anglo-Amer.

